TWENTY CENTS

JANUARY 24, 1931

BUS. ADMIN. LIBRARY

JAN 27 1931

Sales Management

The Weekly Magazine for Marketing Executives



"What depression?" asks Van B. Hooper, president of the three-months-old General Grinder Corporation. That company has just shipped initial orders totalling seven carloads. *See page* 146.

How Detecto Increased Sales 800 Per Cent in Five Years

A Compensation Plan Based on Each Salesman's Net Worth

"Liberty's great contributions to Advertising"

FRANK W. HARWOOD



FRANK W. HARWOOD, formerly advertising director of the American Tobacco Company, was asked to come to Liberty Magazine as advertising counsel, to analyze Liberty's advertising situation. Mr. Harwood has been for years a very large buyer of advertising space. He is particularly well equipped to advise.

MR. HARWOOD has made the following report:

"I find that the sum of Liberty's great contributions to advertising has been to lower advertising costs.

"Concentration of circulation in the cities, where sales are greater and sales costs lower, means the least possible advertising waste.

"99% single copy sales mean at least 99% reading of every copy. Again elimination of waste.

"Increasing circulation, without increasing rates. This gives Liberty advertisers the lowest advertising cost of any major magazine.

"Whole family appeal has increased family readership, so that the advertiser reaches both men and women—a vital factor in the sale of most merchandise.

"Liberty's policy of makeup which provides the greatest possible visibility is another important factor in advertising economy.

"Full circulation in summer—again providing the consistent, year 'round advertiser with all the circulation he is entitled to, no matter at what time of the year his advertisements appear.

"A yearly guarantee of circulation, thus giving the advertiser advance assurance of the circulation his advertising will receive.

"I have found that every one of these established advertising policies operates to give the advertiser the greatest possible return for his money. Liberty's amazing hold on the public is shown by the fact that every week throughout the year nearly 2,500,000 persons buy a copy from newsstand or boy salesman."

MR. HARWOOD now goes from Liberty to become vice president of the firm of Lennen & Mitchell, Inc., advertising agency. Liberty wishes him all success and happiness in his new work.

Liberty
A Weekly for Everybody

Again for 1930

First ON THE Coast

TOTAL ADVERTISING
Los Angeles Times . . . . . **FIRST!**
(18,810,834 agate lines during 1930)

DISPLAY ADVERTISING
Los Angeles Times . . . . . **FIRST!**
(Led nearest Coast paper by over 2,000,000 agate lines)

CLASSIFIED ADVERTISING
Los Angeles Times . . . . . **FIRST!**
(Led nearest Coast paper by over 600,000 agate lines)

NEWS AND EDITORIAL MATTER
Los Angeles Times . . . . . **FIRST!**
(Over 21,000,000 agate lines)

MORNING CIRCULATION
Los Angeles Times . . . . . **FIRST!**
(Over 98½% of The Times circulation is morning circulation)

HOME-DELIVERED CIRCULATION
Los Angeles Times . . . . . **FIRST!**
(Over 96% of Times' 40-mile circulation delivered to homes by carrier)

Lineage figures of The Times and other papers exclude their own promotion and affiliated advertising.

Los Angeles Times

Eastern Representative
WILLIAMS, LAWRENCE & CRESMER CO.
360 N. Michigan Blvd., Chicago
285 Madison Ave., New York

Pacific Coast Representative
R. J. BIDWELL COMPANY
742 Market St., San Francisco
White Henry Stuart Bldg., Seattle

Published every Saturday and copyrighted by SALES MANAGEMENT, INC., *420 Lexington Ave., New York, N. Y. Subscription price, $4.00 a year in advance. Entered as second-class matter June 1, 1928, at the Post Office at New York, N. Y., under the Act of March 3, 1879. Volume XXV. No. 4.*

Since 1919—

MARKET RESEARCH

PRODUCT RESEARCH
FIELD SURVEYS
MARKET ANALYSIS
STYLE TRENDS

SALES ANALYSIS
SALES TRAINING
SALES QUOTAS
MERCHANDISING

PERCIVAL WHITE
INCORPORATED

MARKETING COUNSELORS

25 WEST 45TH STREET
NEW YORK

Preliminary Consultation
Without Charge

Survey of Surveys

BY WALTER MANN

Reilly's Law of Retail Gravitation

At a meeting of the Market Research Council some months ago Dr. William J. Reilly, long a student of market area delineation, outlined a new and markedly different approach to the determination of retail trade territories. Instead of starting (as so many have) with certain assumptions regarding the flow of retail trade he spent upward of two years in actual interviewing of housewives, retail establishments and retail credit bureaus in an effort to discover the actual trading habits of the consumer in relation to various kinds of merchandise. These early studies were financed by the Laura Spellman Rockefeller Foundation.

As a result of this study Reilly found that there were certain underlying principles governing the flow of retail trade. Population and distance between the two centers involved are the major factors in what he calls the Law of Retail Gravitation.

At that meeting Dr. Reilly, having in mind the ultimate publishing of a monograph on the subject, was not ready to give out the results of his findings generally. However, I prevailed upon him to let us announce this monograph immediately upon its going to press.

This morning I received the following letter from him which describes the more recent development in his work so much better than I could that I am printing it verbatim:

"Several weeks ago I promised to let you know when my study of retail trade territories, which we have discussed many times, would be available. This material has gone to the printer's, and I shall be able to send a copy of it along to you about February first.

"When I started this study about four years ago I thought that it would be finished in less than a year, but after that first year I found that I was just beginning to get a good grip on the problem. Before I could be at all sure that my early observations were generally applicable, I found it necessary to visit different-sized cities and towns in all important sections of the United States. This took more time and study. But as I had already had generous encouragement from you, as well as from other seasoned students of retail trade territories, concerning the value of the results secured, I went on with my studies in greater detail—both from the viewpoint of basic approach to the subject and on the uses to which the results might be put.

"That manufacturers should organize their market records on the basis of trade territories, rather than on the state basis, is a principle that is now pretty generally accepted.

"In recent years a number of helpful maps have been prepared to indicate roughly the dimensions of such retail trade territories. But as you know, market managers have come to realize that no one set of area maps can safely be applied to all products. Meanwhile, lack of information about the *underlying rules* that govern the flow of retail trade *for different products* has made it extremely difficult for anyone to devise a plan that will satisfy the peculiar requirements of each individual manufacturer.

"It has become quite obvious that the market manager does not need a set of general maps; he needs *method* that will help him to build up his own budget territories. He does not need some standardized plan devised on the outside, ready to be superimposed upon his business; he needs *method* that will show him how to start with the experiences, aims, and conditions of his own company and to set up territories that will fit his own peculiar requirements.

"In attempting to use various 'standardized' plans (all of which, by the way, are different one from the other) he has consistently failed to arrive at an adequate individual application (because there is no such simple solution).

"Most of these points you yourself have stressed in recent writings, and I know that you are fully aware of all of them.

"Perhaps the most striking discovery growing out of my studies is the fact that retail business gravitates from smaller cities to larger cities in accordance with a definite law—which I have called The Law of Retail Gravitation.

"The most practical consequence of this law is that we are now in position to approximate the breaking point between any two cities in the United States, i.e., the point at which the dominating retail influence of one city yields to that of the other.

"In the book which is just about to go to press I am presenting a table which makes the determination of these breaking points very simple. This table is set up so that it can easily and quickly be applied to different-sized cities in the United States by the average student.

"A projection of practical application of the law is presented in the book from the point of view of the manufacturer who faces the problem of delineating retail trade territories, the retailer who faces the problem of defining his most profitable market and the daily newspaper which faces the problem of coordinating its circulation with the flow of retail trade.

"Throughout, the book is prepared for those interested in practical application of the law. But a complete story of the methods employed in arriving at the law is offered in the appendix for those who may be interested also in examining the basis for the law."

Dr. Reilly's book, which contains about a hundred pages, will sell for $10.00 and the edition will be limited. It will be available early in February. Students of trading area delineation are advised to place their orders immediately direct with William J. Reilly, 285 Madison Avenue, New York City.

VOL. XXV. No. 4
January 24, 1931
Published Every
Saturday . . . .

Sales Management

Publication Office:
420 Lexington Ave.
New York. Phone
Mohawk 4-1760



THE sales manager of an office appliance concern writes: "In SALES MANAGEMENT for January 3 we noticed Maxwell Droke's name at the head of a new department devoted to better sales letters. I feel that this department is going to be of the utmost value in 1931, when good letters will play such an important part in the process of distribution."

This executive has put his finger on the basic reason why this department was launched in SALES MANAGEMENT at this particular time. The editors believe that, with the cooperation of the subscribers who are using the department, this feature can become a most helpful source of suggestions and ideas.

Readers are urged to send in letters which have proved to be unusually good sales builders, and also to submit for criticism and suggestion, letters that seem to lack the pulling power they should have. "Sales Letters" is *your* department. Use it.

—THE EDITORS.

• • •

ARTHUR G. McKNIGHT, who contributes the article in this issue entitled "A Compensation Plan Based on Each Salesman's Net Worth," is one of the partners of the firm Arthur G. McKnight, Edgar D. Leroy and Associates, of Chicago, market analysts and merchandising counselors.

CONTENTS

Distribution

The Retailer—King-pin in Our Distribution Plan 138
By Willoughby M. McCormick, President, McCormick & Company, Inc., Baltimore, Maryland

General

Significant News 137

General Grinder, Three Months Old, Ships a Seven-car Trainload .. 146

Sales Policies

How Detecto Increased Sales 800 Per Cent in Five Years 140
The fifth in a series of articles on small businesses by James True

Lower Selling Costs through Better Sales Control 144
The second in a series of articles on more efficient sales control by Walter Mann

Salesmen's Compensation

A Compensation Plan Based on Each Salesman's Net Worth 142
By Arthur G. McKnight

Departments and Services

Survey of Surveys 130

Tips 134

Latest News in Sales and Advertising, Beginning on 150

Editorials 160

Government in Business 162

RAYMOND BILL, *President;* PHILIP SALISBURY, *Vice-President and Director of Advertising;* J. F. WEINTZ, C. E. LOVEJOY, *Vice-Presidents;* M. V. REED, *Eastern Advertising Manager;* R. E. SMALLWOOD, *Circulation Manager. Published by* SALES MANAGEMENT, INC., 420 *Lexington Avenue, New York, Chicago Office,* 333 *North Michigan Avenue.*

"The modern public warehouse has become practically a branch distributing office of the manufacturer. We use forty-five strategically-located merchandise warehouses in the United States and Canada, thus saving transportation costs and speeding delivery to our customers. Their orders are mailed directly to each warehouse. After shipment has been made, customers' invoices are rendered by the warehouse and mailed direct. The Bon Ami Company was one of the first large manufacturers to recognize the modern up-to-date merchandise warehouse as the ideal medium for distribution."
J. A. Gerlin, Traffic Manager,
THE BON AMI COMPANY, Inc.
"Hasn't scratched yet!"



As we serve Bon Ami . . . . so will A. W. A serve you!

In 189 cities of the United States, Canada, Cuba and Hawaii, our member warehouses receive merchandise in carload or less-than-carload lots . . . store it until needed by wholesalers, dealers or users . . . then deliver it where it is wanted. In effect these warehouses become your branch house in each city you select . . . storing and distributing your goods . . . . receiving your mail and handling your orders . . . doing your billing and receiving your remittances if you wish . . . keeping in touch with you through daily stock reports.

Using the warehouse 'phone number, you may list your name in each local 'phone book, and the warehouse operator will take your salesmen's calls. Yet your identity is carefully preserved, for the warehouse can use your labels, your billheads, your stationery or any of your personalized forms.

Charges are made on a "piece work" basis. Your costs are based on the number of units of your goods that are handled. During dull periods you are not burdened with fixed overhead expenses, as you are if you operate your own branch houses. The AWA Plan cuts distribution costs, saves freight charges, speeds delivery, enables you to increase sales through the strategic location of spot stocks. Full details in our 32-page booklet, sent free on request.



AWA
AMERICAN WAREHOUSEMEN'S ASSOCIATION
1840 Adams-Franklin Bldg., Chicago, Ill.

Tips

These most valuable booklets of the week will be sent free to executive readers who make a separate request for each one on their business letterheads. Booklets will be mailed by the companies which publish them.

Address SALES MANAGEMENT, Inc., Reader's Service Bureau, 420 Lexington Avenue, New York.

Markets and Media

The Place of the Trade Paper in the Advertising Plan. Clears up the fuzzy thinking that's been going on about the relative merits of consumer magazine advertising and business paper advertising. Gives the advertiser a clear idea of what he may logically expect each of these mediums to accomplish for him. If you suspect a weak spot in your merchandising hook-up, read this and learn how to build up the morale of your sales force, win the loyalty of the jobbers and weld your whole selling organization into a powerful unit. The man with a limited advertising appropriation will find in it some excellent suggestions about where to place his dollars with most telling effect. For the manufacturer facing the problem of establishing distribution it contains just the thing he wants to know on how quickly and cheaply to build distribution. Contains suggestions on coordinating consumer and trade advertising to give maximum results. Issued by the International Magazine Company.

Route List of Indianapolis Grocery and Drug Stores. An exceedingly helpful booklet for sales managers to put into the hands of their men working Indianapolis. Gives a complete list of retail and wholesale grocery and drug outlets with detailed directions on how to cover the territory most economically and quickly.

There is No Depression at College. Fourteen schools and colleges including West Point, Annapolis, Dartmouth, Pennsylvania and New York University, have merged their buying power through group selling of space in their annual student volumes, and in addition offer manufacturers who advertise in these volumes the opportunity of conducting special showings and demonstrations of products. The Schilling Press has prepared a very interesting discussion of facts about these college markets. Incidentally business is said to be standing up better in college towns than anywhere else.

Steel. The Penton Publishing Company has issued a folder of data on *Steel* (for forty-eight years published as the *Iron Trade Review*) which should interest every executive concerned with market and media analysis. Through a unique but logical method of presentation, the prospective buyer of space can get the essential information about this magazine and its market in a tenth of the time usually required to unearth the same data.

A Service to Advertisers and Their Agencies. The Iowa Daily Press Association has reprinted a group of advertisements which appeared in newspapers in twenty-seven key markets of Iowa, and they are now available to all who want them. Our readers will find in them some excellent ideas for combating the substitution of off-brand and private label goods for nationally advertised brands.

Selling the Small Town. Contains some interesting observations on why small towns are growing faster than large cities and what effect this shift in population is destined to have on your marketing and advertising. The data in this booklet along with the county count of *Household Magazine* will help you to follow the trend.

Sales Counsel

Sensible Selling for Manufacturers. If you are a manufacturer with a specific sales problem at hand, or a selling job to be done for which you are not adequately staffed at the moment, this booklet might offer some timely suggestions for coping with the situation. It describes the operating methods of the Utility Merchandising Bureau, a group of merchandising specialists with sales experience in a great diversity of businesses. They offer their services as consultants or as men in the field, working with and supplementing the activities of your present sales department.

Significant News

• • • Wholesale inquiries jumped 29 per cent last week, over the preceding week, according to the New York Credit Clearing House. Compared with the same week last year the gain was 24 per cent.

• • • Average prices of commodities sagged once more last week, the Irving Fisher index number dropping to 77.9 compared with 78.3 the week before. Other world index numbers showed the same trend.

• • • Ford Motors has cut its car prices by from $5 to $45, just about meeting the recent reduction by Chevrolet.

• • • The Motor Boat Show opened in New York this week and was attended by crowds believed to exceed 200,000 persons. More than 200 manufacturers of boats and accessories were represented by exhibits valued at $2,500,000. It is estimated that more than a million motor boats are now operated in this country.

• • • Sales tax bills, modeled on the Kentucky law, were introduced this week in the legislatures of Indiana and Tennessee. In the latter the graduated tax goes up to 2 per cent on sales exceeding $2,000,000.

• • • Frank A. Vanderlip, former head of the National City Bank, New York, ascribes the crash which ushered in the depression to stupidity, overproduction due to improved methods, prices maintained at a high level and wages only slightly increased; with the result that the great mass of effective customers, the wage-earners, could not take its share of the goods produced.

• • • Differing from Albert H. Wiggin, chairman of the Chase National Bank, New York, he deplores the present tendency to reduce wages, thereby reducing the number of customers still further.

• • • "We are facing in this country a bright future and as our conditions improve so will those of the rest of the world," said James A. Farrell, president of United States Steel, this week in addressing a joint meeting of the National Canners Association and the Wholesale Grocers Association. He thinks we should concentrate on business in this country.

• • • Mr. Farrell believes in aggressive salesmanship to stimulate consumption and liberal spending to restore normal conditions. He disagrees with Mr. Wiggin on the subject of wages, urging full employment at high wages.

• • • United States Steel output last week rose to just under 48 per cent of capacity—a gain in the week of about 4 per cent. This is regarded in the industry as decidedly promising.

• • • Savings bank deposits in New York State rose from $4,391,294,000 at the close of 1929 to $4,793,750,000 at the close of 1930—a gain of $402,466,000 or 9 per cent. (An editorial note elsewhere in this issue comments on this news.)

• • • Kroger Grocery & Baking has set up a fund of $1,000,000 to maintain a food laboratory to be devoted to establishing standards for the food value of meats, fruits and vegetables in the form in which they enter into consumption.

• • • Kroger will open a grocery department in Sears, Roebuck's store in Minneapolis within a few weeks. This will be the third Kroger grocery and meat unit to be installed in the Sears, Roebuck chain, the other two being in Chicago and Cincinnati.

• • • Retail trade in 1930 was established at the 1925 level, according to H. I. Kleinhaus, manager of the controllers' congress of the National Retail Dry Goods Association. His computation is based on the preliminary report indicating a loss in dollar sales for the year of 8.6 per cent. His index numbers, using 1925 as a hundred, are as follows: 1926, 102; 1927, 103.9; 1928, 107.5; 1929, 109.7; 1930, 100.3.

• • • A number of mills which produce dry goods of one kind or another, including three of the leading blanket mills, announced this week through the Wholesale Dry Goods Institute that they will distribute their goods hereafter exclusively through wholesalers.

• • • The relatively small decline in retail prices compared with the decline in wholesale prices is indicated in a chart prepared by Colonel Leonard P. Ayers of the Cleveland Trust Company. He finds that retail prices are off only 9 per cent in a year whereas wholesale prices are down 18 per cent. He believes that retail prices will gradually work down to a commensurate level. Critics say retail prices have gone down further than he shows.

• • • The dietary habits of Americans are changing in favor of vegetables and away from meats and cereals, according to a bulletin issued by R. W. Dunlop, Assistant Secretary of Agriculture in Washington. The gain in vegetable consumption since 1915 was 36 per cent. In the last five years the decrease in use of grains by human beings was 30 per cent. Since the war more sugar and dairy products have been eaten.

• • • Our foreign trade last year fell from $9,640,000,000 in 1929 to $6,903,000,000 in 1930. Exports were down from $5,241,000,000 to $3,841,000,000 while imports fell from $4,399,000,000 to $3,061,000,000. The level for the total was about the same as in 1922 but $3,000,000,000 more than in 1914.

• • • Grocery failures in Louisville have declined markedly since full publication of the Louisville Grocery Survey, evidence that the information imparted was of value. Grocery bankruptcies in 1929 numbered fifteen. In eleven months of 1930 there were only three.

• • • The Government has won its suit to terminate unlawful price-fixing by the Norwegian sardine packers. This decision was anticipated, however, and since last July price-fixing has not been in effect.

• • • National Tea, a grocery chain which operates in the middle west, is one of the first big chains of whose net earnings in 1930 much is known. On sales of $85,236,535 last year compared with $90,210,077 in 1929, income is estimated at something more than $1,000,000. The year before income was $2,731,000.

Mr. McCormick's article on "The Private Brand and Its Load of Dynamite"* occasioned so much discussion among readers that the editors asked Mr. McCormick to set down some of his ideas about dealer sales policies. Here he describes the plan his company follows in educating retail grocers. Every company that sells through dealers will find it helpful.



BY
WILLOUGHBY M. McCORMICK
President, McCormick & Company, Inc., Baltimore, Maryland

The Retailer—King-pin in Our Distribution Plan

THE further we study the distribution of foods and grocery specialties, the more firmly is established the fact that the retailer is the deciding factor in the solution of most of our problems. Whether it is private labels, cut prices, inadequate distribution, or any of a wide range of problems, the manufacturer can do little or nothing in strengthening his position until he has gained the confidence of the retailer and made him understand the economic principles involved in his part of distribution.

While I do not underestimate the importance of the wholesaler and the value of his distributive function, I am convinced by forty years of experience that any merchandising plan that does not begin and end with the retailer cannot result in permanent improvement. Also, I am sure that permanent success cannot be attained by a manufacturer without allowing both the wholesaler and the retailer a satisfactory margin of profit, and doing everything possible to assure them of their cost and profit margin.

Retail grocers, both chain and independent, have a rapidly growing influence with the consumer. Unfortunately, however, many manufacturers are encouraging both classes of retailers to give their goods a "free ride," and in meeting the demand for lower prices with free deals and concessions, these manufacturers are inducing retailers to sacrifice profits in meeting price competition. All manufacturers of food and grocery specialties are now familiar with the deplorable condition that is the inevitable result of this kind of selling. In tens of thousands of stores, retail grocers are using their influence with the consumer to sell goods of inferior quality, goods under private and unknown brands, in order to make the profit without which they cannot carry on.

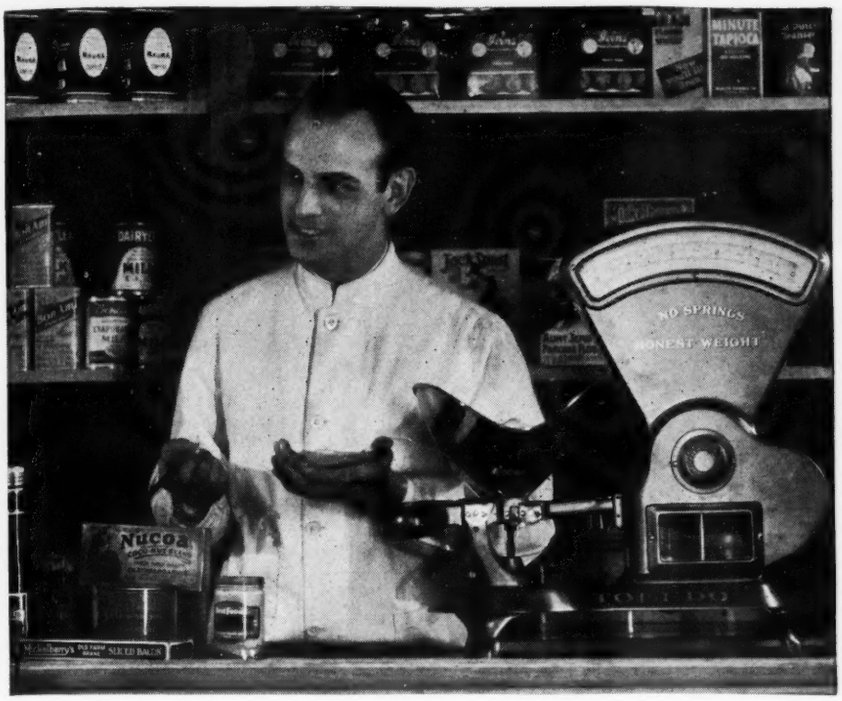
The condition is doubly difficult for the manufacturer of advertised and quality merchandise. For he finds it necessary not only to educate the retailers of his goods in regard to the selling power and business-building influence of quality, but also to fortify them with facts and accurate information against all forms of uneconomic, discriminatory selling.

In my opinion, there is nothing more dangerous to the entire food industry in the present condition than the tendency to lower quality, and the forcing of goods of inferior and variable quality into the hands of the consumer.

Whether the retailer be a chain operator or an independent grocer, the future success of his business depends on the quality of the goods he sells. Nothing will send his customers to his competitors more promptly than goods of poor quality. Satisfactory and invariable quality, then, is an essential factor of the retail grocery business; but we have found that the great majority of retail grocers know very little, and that many of them know nothing, about the quality of the goods they distribute, except that they must comply with the specifications of the Pure Food Law.

A few chain systems are educating buyers and clerks on the quality of merchandise. Wholesale grocers in some sections of the country are doing what they can in the same direction. This is a profitable effort, and I believe that the successful wholesaler of the future will be a sort of godfather to his retailers, counseling them and guiding them in the way of economic merchandising. But the manufacturer must shoulder most of the responsibility of educating the retailer on the quality of his merchandise.

*SALES MANAGEMENT, October 4, 1930.



Since retail grocers have a rapidly growing influence with the consumer, manufacturers of advertised and quality merchandise are finding it necessary to educate them against all forms of uneconomic, discriminatory selling.

Photo by Underwood & Underwood

For many years, in realization of our responsibility, we have schooled our salesmen to educate the retailer; but for some time we have felt the need of a more effective method of convincing him, first, of the necessity of determining the quality of the products he sells, and, second, of his responsibility to his customers. We learned that it was necessary to augment oral discussion with demonstration and visual instruction, to teach the average retailer quickly and effectually that it is to his own best interest to distribute quality goods.

As a means to this end, we thought of bringing groups of retail grocers to our factory to see how our goods are put up, to sample our products, and to listen to what we have to say. We knew that other manufacturers were inviting dealers to visit their factories, and that a few were holding dealers' conventions; but we found that in most instances these efforts were largely in the nature of furnishing entertainment.

The entertainment feature did not appeal to us and, contrary to the belief of many others, we were convinced that a large majority of retail grocers could be induced to visit us solely to acquire knowledge of our merchandise and its relation to their business. Therefore, about two and one-half years ago, we invited some fifty or sixty retailers to spend the greater part of one day at our factory at our expense, and the majority accepted.

In issuing this invitation, we made it understood that the trip was solely for educational purposes. The retailers came, appeared to be interested, and later many of them wrote us letters of appreciation. We were encouraged. We had proved that retail grocers would take a trip for information as readily as they would for entertainment. I don't recall how many accepted our invitations in 1929; but last year, between January 1 and October 15, more than 2,000 retail grocers, within about 200 miles of Baltimore, have come to our factory for a day at our expense.

The program of handling these visitors has been the same in all instances. Usually, parties arrive about eleven o'clock in the morning, and we immediately break them up into small groups, each under the direction of an official.

These groups are first shown samples of our raw products, covering a wide range of spices and flavoring materials. Their education begins at this point, usually, for a surprisingly large number of grocers do not know that the notice of compliance with the Pure Food and Drug Act on a package does not assure the quality of the contents.

We show them samples of cinnamon, vanilla beans and other raw products, and explain that the variation in costs, which in some cases is more than 500 per cent, is determined by the quality. We also explain that the pure food law is intended to *assure purity only*, and that the low grades of raw materials in our line may be just as pure as the highest grades. In many instances there is the same difference, we tell them, that exists between a Kiefer and a choice Bartlett pear, or a Pittsburgh stogie and a Clear Havana cigar. The purity of all is unquestioned; but there is a vast difference in quality.

The groups are then taken through the factory, and retailers are told to ask questions. And they do—about everything they see. First we show them exhibits of nails, bits of cast iron, bone, rocks, gravel, dirt and other refuse we take out of pepper, insect powder buds, tea and all other imported products. Then we show them the various cleaning processes before the spices are ground, grading of the products, grinding and processing, and automatic filling of cans and bottles.

From the top floor to the first, over more than twelve acres of factory space, they follow the course of every process, and we call their attention to the economical handling, such as the transfer of all raw products, from the cars on our railroad siding to the floors on which cleaning begins, at a cost of only seventeen cents a ton. Throughout the trip we impress them with the fact that with the most modern machinery and facilities, spices and flavorings of the highest quality can be manufactured at moderate cost. And in the chemical laboratory they are shown our chemists at work, testing samples of every shipment of raw products and of every lot of finished goods, to assure a high and invariable standard of quality.

It is about one o'clock, usually, when the factory trip is over, and the visitors are then taken to the company's cafeteria for luncheon, followed by a meeting in our assembly hall, which is equipped with about 100 comfortable theater seats and a small stage.

Here retailers are given an opportunity to demonstrate the quality of spices and other products for themselves. We take four of five lots of items, all bought in retail stores, and allow the grocers to grade them according to their flavor. It is surprising how accurately they do this. On one occasion we kept a record of the tests made by 100 grocers in grading cinnamon, mustard and several other items, and every one of them classified the samples according to their quality.

In no instance do we tell our audi-

(*Continued on page* 166)

Merchandiser



A. J. Jacobs

The success of an organization making mechanical devices depends upon a nice balance between the ability to merchandise and the ingenuity to design, according to the president of Jacobs Brothers. "A. J.", as the merchandiser, is responsible for the close and protective cooperation with department - store dealers, resultful advertising and special promotion, the most recent, and perhaps the one which has proved the most effective, being the popular Charm Box.

How Detecto 800 Per Cent

The fifth of a series of articles on small businesses

BY JAMES TRUE

SUCCESSFUL methods of building a business on a household mechanical specialty are well illustrated by the promotion of Detecto bathroom scales. These devices, a line of compact spring scales, made solely for the purpose of weighing the human body, were introduced by The Jacobs Brothers Company, Inc., of Brooklyn, in 1915, and have become the most popular of a number of similar products. For the first ten years the business was comparatively small; but during the period of five years from 1925 to 1930 the volume increased more than 800 per cent.

The fad of "slenderizing" has had much to do with this amazing increase, but only because the Jacobs company has taken full advantage of the fad with its merchandising. For with every fad comes a rush of new competition to supply the things the fad demands, which has a tendency to offset the advantage to any individual manufacturer. For example, when introduced, the Detecto scale was one of only two or three of its kind; but there are now numerous makes on the market, most of which were introduced during the five-year period just mentioned.

Therefore, building the Detecto business has required very much the same policy and methods that success during normal conditions would have necessitated. Although the fad has greatly increased the demand for bathroom scales, it has also multiplied the number of makes that share the business; building the Detecto volume has been a matter of keeping ahead of competition with a superior line, of developing a demand for distinctive products and merchandisting the products in a certain way.

It appears that the policy adopted and the methods used are applicable to the production and distribution of a variety of devices. This was one of the first phases of the subject mentioned by A. J. Jacobs, president of the company, when he discussed the company's experience recently in his office at the factory. He said his company had developed a number of specialties, and that the experience in promoting them was largely responsible for the methods that have made the Detecto line so conspicuously successful.

"Before we began the manufacture of scales in 1900," Mr. Jacobs continued, "my brother, H. M. Jacobs, and I were manufacturers' representatives and specialized in the selling of scales and store fixtures. We began manufacturing in a very small way and sold our own goods with a line we wholesaled. As we developed, we gradually dropped jobbing items and substituted our own specialties. In this way we built up our business on physicians', laboratory, industrial and store scales, and on store fixtures and supplies.

"In 1915 we were convinced that a good bathroom scale would be a valuable addition to our line, and we began developing the Detecto line. My brother designed the device so that anyone, by standing on a small platform, could immediately and conveniently determine his weight by glancing down at the dial. It had a moderate sale from the start.

"Two years later we began advertising the bathroom scale in a small way. We have advertised it ever since, usually increasing the last annual appropriation, until we are now spending more than $50,000 a year for paid publicity. Undoubtedly the advertising has had much to do with our success. Our field is now highly competitive, and without advertising I am sure we could not have developed anything like the business we now handle on bathroom scales. It is significant that the Detecto line, the only specialties we advertise to the general public, and after only thirteen years of moderate advertising, now gives the company one-third of its total volume.

"Although our bathroom scales are made in the same factory with many other items, their promotion is spe-

Increased Sales in Five Years

cialized. The line is handled in a separate department, its distribution is different from that of our other products, and we consider its production and distribution in the nature of a separate enterprise.

"But before I explain how the Detecto business has been built up, I want to call attention to the necessity of balancing the organization that expects to put out mechanical devices. Against the ability to successfully promote and merchandise any device of the kind, there must be balanced the ingenuity to design originally and to improve the designs of existing similar devices, if the success of the business is to be permanent.

"In this regard my brother and I have been especially fortunate. For more than twenty-five years we have worked together, and H. M. Jacobs, who is the secretary and treasurer of the company, possesses not only an unusual mechanical ability, but also an appreciation of the selling value of mechanical designs. He is responsible for both the mechanical excellence of our products and for designs that are attractive and salable. My ability lies more in the direction of distributing and merchandising, and our different lines of work have made a well-balanced effort in producing and marketing our goods."

In discussing the most important factors responsible for building the Detecto volume, Mr. Jacobs explained that there are three, and he expressed the opinion that they must control every business of the kind if it is to be a permanent success. First, of course, are the goods, and the small manufacturer should have something better or more attractive, both to the trade and to the public, than his big competitors offer. Smaller size gives him the advantage of greater flexibility and speed in adopting improvements and changing sales policies.

The second factor is the cultivation of dealers. The Jacobs company has thrown in its lot with the department stores of the country in merchandising its bathroom scales, and its sales policy is one that considers the dealer's interests first.

The development of the third factor, merchandising, has been almost entirely in the dealers' interests. An equitable selling policy, advertising, dealer helps, window trims and many other special aids are furnished by the company to assist the stores to increase their sales.

"The small manufacturer," Mr. Jacobs continued, "should take every advantage he can in changing his product to meet the favor of his dealers and their customers. Usually such changes cost the small manufacturer little, while they frequently entail a very much heavier cost on large production, and often their value is very much greater to the small producer.

"When we began to advertise we made but one bathroom scale, retailing at $15, and sold it direct for a time. Every advertisement paid for itself and gave us a profit, and, although we were advertising in a very small way, after about two years we found that many stores were feeling the demand. Then we threw in our lot with the department stores, and found that they wanted a line of scales to give their customers a choice of models. So we promptly developed other models, and changed them from time to time to meet the preference of our customers. For several years now we have merchandised three models to sell for $8.75, $10.75 and $14.75 each. They have not only been designed according to best artistic judgment, but they are finished in a variety of colors to harmonize with bathroom decorations.

"The small manufacturer who is producing similar goods should give particular attention to his designing, for the reason that when a mechanical product is accepted by the public there is little or no selling influence in its mechanical details. For many years the public has been familiar with various kinds of scales, so we dismiss the subject of mechanical details by guaranteeing our scales for five years. This satisfies the customer as to the quality of our product, and after attaining the best possible quality we concentrate our production efforts on getting out models that are attractive

(*Continued on page* 161)

Designer



H. M. Jacobs

When dealers told Detecto salesmen that there was a large market for a $5.00 scale, "H. M." set about producing it—just as he had on previous occasions when they had requested products in other price classes. It is his appreciation of the selling value of designs as well as his unusual mechanical ability that has done much to keep Detecto scales well in the lead in a highly competitive field—a field greatly enlarged during the period of Detecto's greatest expansion.

A Compensation Plan Based on Each Salesman's Net Worth

Regard each of your salesmen as an investment and see that the amount allotted to each is adjusted so that each pays a dividend, counsels this marketing executive. Here is a method for working out a scale for paying each man on the basis of his real value to the company. It is presented here in purely theoretical form and can be applied to many businesses.

BY ARTHUR G. McKNIGHT

EQUITABLE classification of salesmen for definite computation of their exact and comparative individual values to the company for a fixed system of remuneration control, to establish fair objectives and a just, effective plan of incentives, presents a real problem in this unsettled, highly competitive market.

Such classification contemplates the ratio of the ability of each salesman to all to produce sales volume from varying potential markets at reasonable sales expense. This sales expense includes, of course, not only the salesman's salary and traveling expenses but also the portion of all selling overhead, fixed and fluctuating, advertising, etc., invested in his territory. That word "invested" started a chain of analysis which resulted in the solution of this problem for one of our connections.

Investment in listed or unlisted stocks is made, or should be, on the basis of the annual net return per share. Any buying consideration without exact knowledge and reasonable assurance of the ability of the company to produce certain nets is pure gambling and leads to the results with which we are all too painfully familiar in recent months. The shrewd investor classifies his holdings on the ratio of their net earnings to the investment. Consider for a moment that each salesman is a security issue and the problem of classification becomes one of figuring exact net earnings per year of each man and reducing them to the basis of percentage on the investment. When we do this correctly, we have:

(1) An automatic salesman classification plan.

(2) A fair basis for objectives for each man in the marketing division.

(3) A plan of incentives which will give the salesman an interest in maintaining prices in this price-slashing market instead of trying to better his personal record with increased volume on cut prices.

(4) Accurate computation of each salesman's exact worth to the company in dollars and cents as well as percentage of earnings on investment.

It will actually lead much further as careful analysis of the tables given below will prove. As the plan is presented here it constitutes the rule by which an executive may work out his problem; it is not the answer to any individual problem any more than a mathematical rule is the answer to a mathematical problem. But it offers a basis for achieving the above-mentioned purposes in any size organization, regardless of number of lines, number of districts or salesmen.

Our example here is purely hypothetical, presuming four districts with five salesmen in District 4. The figures used are to the end of easy computation rather than with consideration of practical relativity. Also, except the one column in which manufacturing costs are set at $500 per $1,000 of sales, all figures deal with marketing; where we indicate "overhead," for example, we include only marketing overhead.

Allotting fixed and fluctuating marketing overhead to each district; charge each district with its fair portion of the general fluctuating overhead (advertising, sales promotion, etc.) on the ratio of the percentage of its potential market to the total potential market. (Fluctuating overhead on our tables is set arbitrarily at $200,000.) Charge fixed general office marketing overhead evenly to each district. Then set down the actual fixed overhead for the district *not* including salesmen's salaries or expenses. See Table A.

In allotting fixed and fluctuating marketing overhead to salesmen allot the fluctuating overhead charged to the district to each man on ratio of the percentage of each man's territorial potential market to the district potential market. Allot fixed overhead, general and district, to each man evenly; in District 4 presuming five salesmen in our table below, each man is charged with one-fifth of $22,000, total fixed general and district overhead for that district. Finally add salary and expenses of each man, actual money paid him, and you sum up the total investment per salesman for the year on a fair basis. See Table B.

Table A

District	Potential market	Per cent of total	Allotment of general fluctuating overhead	Allot general fixed overhead	Fixed district overhead
1	$1,000,000	12.5	$ 25,000	$10,000	$10,000
2	1,500,000	18.75	37,500	10,000	10,000
3	2,500,000	31.25	62,500	10,000	12,000
4	3,000,000	37.5	75,000	10,000	12,000
	$8,000,000	100.00	$200,000	$40,000	$44,000

Table B

Salesman	Potential territory market	Per cent of total	Allot fluctuating overhead	Allot fixed overhead	Salary and expense	Total investment per man
1	$ 400,000	13.33	$10,000	$ 4,400	$ 5,000	$ 19,400.00
2	500,000	16.66	12,500	4,400	5,000	21,900.00
3	600,000	20.	15,000	4,400	7,000	26,700.00
4	700,000	23.33	17,500	4,400	10,000	31,900.00
5	800,000	26.66	20,000	4,400	12,000	36,400.00
	$3,000,000	100.00	$75,000	$22,000	$39,000	$136,300.00

To reduce to a percentage of net profit on investment per man is simple. Manufacturing costs are set at $500 per $1,000 sales. See Table C.

This is not the place for detailed discussion of this plan but the most casual analysis shows the fairness of this method of rating and the exactitude of results. Salesmen 1 and 2 are both paid $5,000 and each sold $50,000 volume; yet 2 returned 14 per cent net profit on the investment in him as against 1's 20 per cent. Sales investment in 2 is $21,900, in 1 only $19,400, due to the difference in business their territories should produce to carry a just portion of the marketing overhead. Also, it requires greater selling ability to take $50,000 out of a $400,000 market than from a $500,000 market, so 1 is actually the better salesman and deserves the extra credit shown in his 20 per cent. It's a great opportunity for 2 to understand his exact and comparative value to the company to the elimination of all questions.

Comparing salesmen 1 and 4 for a moment, we find 4 paid twice 1's income and sells twice as much, yet his net return is 56 per cent. Again note the potential market difference. Then, too, the net percentages jump rapidly after a man passes the profit-breaking line. If 1 adds only $10,000 to his sales, his net percentage jumps to 54 per cent and he's in the class of 4. Check these figures back on the ratio of percentages of sales to market and their fairness is again established.

To classify the men, we may presume 50 to 60 per cent on the sales investment returns a fair profit to stockholders, allows funds for expansion, etc. Make 50 to 60 per cent men Class A and automatically increase salaries when they go over 60. Class B will include 40 to 50 per cent men; C—30 to 40, D—20 to 30, E—10 to 20 and F below 10 per cent. Classify salaries by this classification. If a man slips back one class, give him a certain length of time to recover, after careful analysis of the reasons he has slipped. If a man, known to be a good salesman, is falling into the lower classes, perhaps the territory is too large for him to work successfully; maybe his time is not well organized or he has acquired selling habits detrimental to his best work. Poor district management may show up when the salesmen in one district are compared to those under other managers. The plan is designed to show up many of the hundreds of things that can go wrong with districts and salesmen.

As we said at the start, these tables are the visualization of a rule or method in the most simple form. Every individual executive's problem is different. For a last example, one large corporation for which this plan was worked out to conclusion has intense competition in some spots and practically none in other districts. So before we could arrive at an equitable potential market ratio (because advertising and selling cannot be expected to get the return from a market three-fourths competitive it can in one practically non-competitive) we had to ascertain the total sales on their type of product in each territory by their strongest competitors, establish the percentage of their sales to the total sales by them and these competitors, and use that percentage of the total potential market as the basis for allotment of fluctuating overhead. It is a simple method of including competitive conditions in your potential market analysis. It is unnecessary in lines where competitive conditions are comparatively even in all territories.

In another instance, 1930 conditions are so chaotic in that line it was necessary to take four years' records to establish an exact value per district and per man.

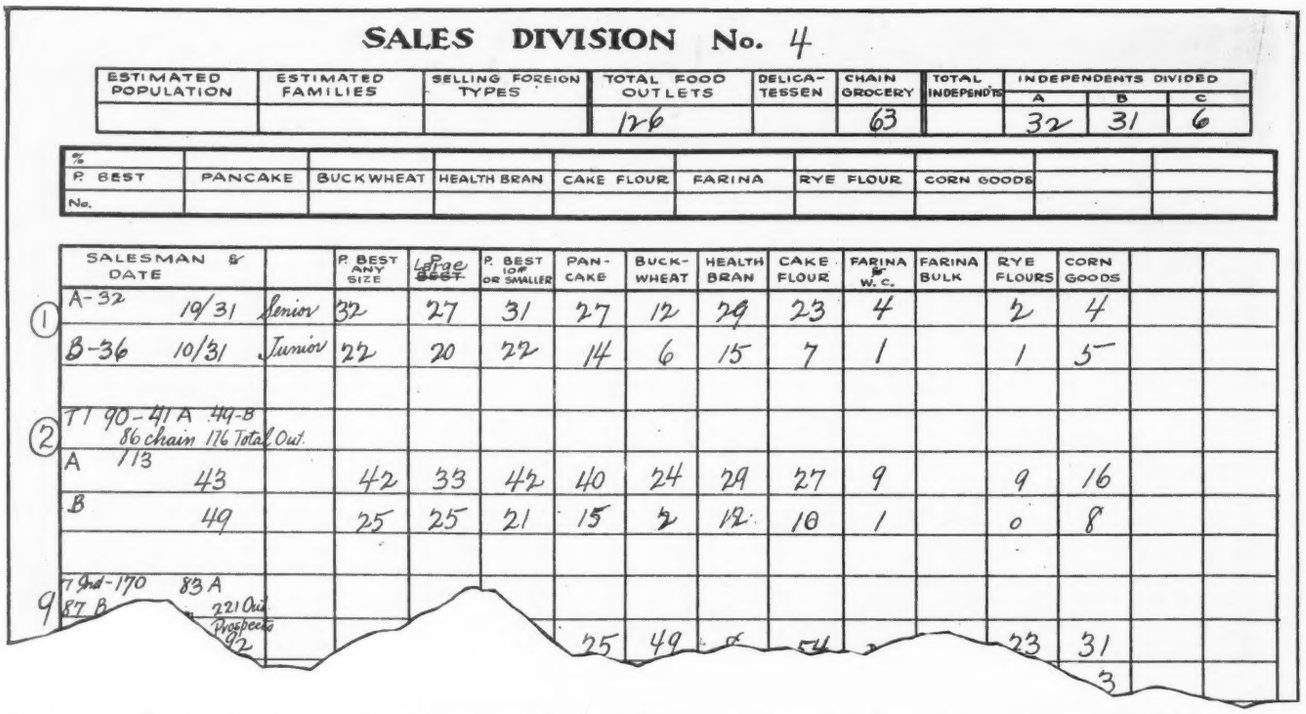
New Argentine Regime Boosts U. S. Trade

The new administration in Argentina, headed by General Jose F. Uriburu, is more favorable toward stimulating trade with the United States than its predecessor, L. E. Force, general manager of the Douglas Fir Exploitation & Export Company, Seattle, pointed out recently, following a sales visit there. The former regime, Mr. Force said, was more inclined to Great Britain and Germany.

Mr. Force estimates that approximately 92,000,000 feet of Douglas fir and hemlock from the Northwest will flow into Argentina in the next twelve months, for the large construction and railway enterprises that private business is building in that country. This amount has a valuation in the Northwest of about $1,656,000.

Table C

Salesman	Sales per man	Marketing investment per man	Company net receipts	Manufacturing costs	Net profit per man	Percentage of net profit to inv't
1	$ 50,000	$19,400	$30,600	$25,000	$5,600	20.
2	50,000	21,900	28,100	25,000	3,100	14.
3	80,000	26,700	53,300	40,000	13,300	50.
4	100,000	31,900	68,100	50,000	18,100	56.
5	110,000	36,400	73,600	55,000	18,600	51.



SALES DIVISION No. 4

ESTIMATED POPULATION	ESTIMATED FAMILIES	SELLING FOREIGN TYPES	TOTAL FOOD OUTLETS	DELICATESSEN	CHAIN GROCERY	TOTAL INDEPENDTS	INDEPENDENTS DIVIDED A	B	C
			176		63		32	31	6

% P. BEST No.	PANCAKE	BUCKWHEAT	HEALTH BRAN	CAKE FLOUR	FARINA	RYE FLOUR	CORN GOODS		

	SALESMAN & DATE		P. BEST ANY SIZE	~~P. BEST~~ Large	P. BEST 10# OR SMALLER	PAN-CAKE	BUCK-WHEAT	HEALTH BRAN	CAKE FLOUR	FARINA W. C.	FARINA BULK	RYE FLOURS	CORN GOODS		
(1)	A-32 10/31	Senior	32	27	31	27	12	29	23	4		2	4		
	B-36 10/31	Junior	22	20	22	14	6	15	7	1		1	5		
(2)	T 90-41 A 49-B 86 chain 176 Total Out.														
	A 713 43		42	33	42	40	24	29	27	9		9	16		
	B 49		25	25	21	15	2	12	10	1		0	8		
9	T 2nd-170 83 A 87 B 221 Out Prospects 12					25	49	∝	~~24~~	~~2~~		23	31 3		

Exhibit A. This is the "master sheet" form used in the Pillsbury sales control plan. It is made up quarterly from the daily cards, and constitutes a permanent territory record. Readers are referred to the article for details.

Lower Selling Costs through Better Sales Control

BY WALTER MANN*

This effective and inexpensive sales control plan developed by the Chicago branch of the Pillsbury Flour Mills has some features which can be adapted to many lines of business. It supplies a detailed, panoramic picture of a territory and is an invaluable aid to the salesman as a guide for selling each account.

"WE most certainly *do* favor the use of an intensive sales control system—" was the prompt reply of the branch manager at Chicago for Pillsbury Flour Mills Company, Minneapolis, in response to my questions on the subject.

Being interested in the various systems of sales control which have been developed in recent years in the widespread current effort on the part of manufacturers to cut distribution costs, and having heard that the Chicago sales division of the Pillsbury Flour Mills Company had worked out an exceptional sales efficiency system, I taxied out one afternoon last month to their Chicago warehouse and sales office, to see whether I could persuade their branch manager to tell me about this system, and how it is working out in actual practice.

Despite this gentleman's personal diffidence regarding the job he and his local sales force have done, and despite his insistence that anyone else with the same tools at hand could have done as well, I feel sure that the experiences recounted in this story will provide some real pointers for the sales manager who is looking for improvement in sales technique and for lower selling costs as a result of that technique.

"You ask me why we are so strong for our new sales control system? The proof of the pudding is in the eating. Our experience in the past few years has shown us that the right system of sales control, plus the simple and inexpensive machinery incidental to its efficient operation, not only revolutionizes the sales executives knowledge of what is going on in a given territory, town by town, route by route, block by block, or for that matter, dealer by dealer—but it also keeps the entire sales force on *its* toes because of this knowledge on the part of the sales executives.

"As a matter of fact, the average salesman is happier on this basis. For, whereas a salesman knows that he will be required to handle his route or routes more efficiently under the right

*This is the second of a group of articles by Mr. Mann on more efficient sales control. The first appeared in SALES MANAGEMENT for January 3, 1931. "What More Intensive Sales Control Did for Webb Coffee."

Salesmen_____ Route#_____

		Pills Lg.	Best Sm.	Panc.	Bkwt.	H.B.	Ck.Flr.	Farina Pkg.	Farina Bulk	Rye	Cs. Flr.	C.M.
1												
2												
3												
4												
5												
6												
7												
8												

Exhibit B. The information from the individual dealer cards (see form reproduced below) is recapped on a sheet like this, to give the sales manager a quick, complete check-up on each salesman's performance in his territory as a whole.

kind of sales control, he also knows that when the true facts about his territory are known he won't be asked to do the impossible nor held responsible for happenings beyond his control, as he has many times in the past. Therefore both the salesmen and the sales manager benefit by a more intensive knowledge of the territory.

"Probably the best way to illustrate the value of sales control in our case will be to show you the actual record sheets and how they were developed, commenting as we go along on what each phase of the system brings out in the way of valuable sales information.

"Some time ago one of the Chicago newspapers came out here with a sales control manual containing, among other things, a map of the city of Chicago and its immediate suburbs in which the city was broken down into fifty-four natural retail sales divisions or city sections. After explaining its principles, they left us a copy, on the assumption that we might be able to use it in our own sales control plans. Although these maps and their attendant pages of dealer detail showed us much valuable information as to the types of people in different parts of the city, the natural retail trade outlines into which these territories fell, the grades of retailers dominating in each section, etc., we were frankly skeptical as to whether a newspaper could tell us more about our territory than we who had actually been calling on the trade in these parts for many years already knew. Hence we went at the use of its facts a little slowly.

"We took the fifty-four sectional maps in this book, regrouped them according to our senior and junior salesmen's territories, and had our salesmen check their territories block by block for the entire city of Chicago with their maps and routed dealer lists. We were especially interested in their evaluation of various parts of the city, as compared with our present records. These maps and the attendant figures turned out to be a very thorough job, one which we felt could be relied upon statistically and which would act as an invaluable check-up of our own records.

"This check-up, therefore, was an important turning point for us. For, whereas we found that we were doing a pretty fair job in a comparatively haphazard way, we saw that the right kind of refinement of our records would improve our whole sales control system in many ways.

"After about two years of steady advancement in efficiency, we are surer than ever that we would never go back to the days of 'b'guess and 'b'gosh.' On the contrary, we are constantly on the lookout today for ways in which we can further refine and intelligently use the information which seems to come so freely from this new and comparatively inexpensive method of sales record keeping.

"As previously stated, we operate in Chicago and its suburbs with senior salesmen (who call on what we designate as the Class A accounts) and a number of junior salesmen (who handle accounts that we place for one reason or another into Class B). We break each territory down into routes, which are listed dealer by dealer on a duplicate set of cards each of which is given a number (see Exhibit C). You will see that this card also contains the route number and the territory in which this route lies, as well as the frequency with which calls should be made on this particular dealer. There is, of course, a place for the name and address of the prospect, and for the name of the salesman and the date of each call. On this card is kept the record of whatever of our products are carried by that particular dealer, as compared with those

(*Continued on page* 164)

Form 104-J3600

No._____ Terr._____ Route_____ Call Every ___ Week

Grocer
Restaurant
Chain Store
Institution

Name_____ St._____

Town_____ State_____

Salesman																	
Date																	
P. B. over 10 lbs.																	
P. B. 10 lbs. or smaller																	
Pancake																	
Buckwheat																	
Health Bran																	
Wheat Cereal																	
Farina																	
Corn Goods																	
Cake Flour																	
Rye Flour																	
Coarse Flour																	

Exhibit C. This simple form supplies Pillsbury salesmen with a record of the items in the line that were being carried by dealers at the time of previous calls, thus furnishing a guide to the particular sales story to be told by the salesman on subsequent calls.



The bon voyage party for General Grinder's seven-car ship ment included (center group, left to right): D. W. Hester, U. S. Department of Commerce; Charles G. Crabb, vice-president, General Grinder Corporation; Daniel W. Hoan, mayor of Milwaukee; Van B. Hooper, president, General Grinder; William Eichfeld, president, Milwaukee Chamber of Commerce; and L. V. Shaw, secretary-treasurer, General Grinder.

General Grinder, Three Months Old, Ships a Seven-Car Trainload

LESS than three months after its organization, General Grinder Corporation, Milwaukee, shipped a seven-car trainload to distributors in this country and abroad.

In October the corporation was formed by Van B. Hooper, Charles G. Crabb and Louis V. Shaw to manufacture tool grinders. In November a factory was established and a sales force organized. In December seven carloads of grinders were sold in a "dead" market. Then, on January 9, came delivery.

With Mayor Hoan, William F. Eichfeld, president of the Milwaukee Association of Commerce; Walter F. Dunlap, president of the Milwaukee Sales Managers' Club; John Sheridan, president of the Advertising Club; B. P. Boykin, manager of the district office of the United States Bureau of Foreign and Domestic Commerce and other prominent men participating, the cars pulled out of the Milwaukee freight yards en route to jobbers in Chicago, Louisville, St. Louis, Kansas City, New York and to foreign markets.

"We believe the products were right to begin with, but what we sold was a sales and advertising plan," Mr. Hooper said, in commenting on the campaign through which the record-breaking orders were sold. The plan embodies a close tie-up of personal sales effort, dealer helps, direct mail and trade paper advertising. There is also a one-month offer of a special deal and a premium plan for jobbers' salesmen. The special counter displays designed for the initial drive pictures a seasoned mechanic examining a tool which he has just finished grinding. An actual sample of one of the machines fits into the picture as though the mechanic has used it. There is, however, a reproduction of a grinder in the back part of the space designed to hold the machine, so that the dealer can use the display either with or without a sample. The display embodies a twofold appeal to mechanics and home owners, listing on one side home tools and appliances for which the product is needed, and, on the other, mechanic's tools.

A house organ is being launched to blanket the retail trade, and a prize of $100 is being offered for the best name suggested for this magazine. Display space is being used in *Hardware Age, Hardware World* and *Hardware Retailer.* All of the display and direct mail advertising emphasize the basic 100 per cent jobber sales policy of General Grinder. The company does not sell to mail order houses or chains.

One of the most important factors in the campaign is the timing of the retail drive so that everything breaks simultaneously. On Friday and Saturday, January 30 and 31, practically every well-rated retail hardware dealer in the country will receive a copy of the house organ. On the following Monday 3,000 jobbers' salesmen will begin calling on the trade and each salesman will carry a sample grinder in a special fabrikoid case. (These samples were bought and paid for by the jobbers themselves). "A dealer may tell the first jobber's salesman on that day that he isn't interested in tool grinders, but by the time four or five salesmen have come in with the same story, he will begin to wonder if he isn't missing something," Mr. Hooper pointed out. The deal offered the retailer is one small sized grinder free with a purchase of four grinders of assorted sizes. Every jobber's salesman who sells four of these deals will be given his own sample grinder for use in his own home.

Just before February 2—the day the general retail drive will break—a personal letter will go out to the presidents of the jobbing houses handling the product outlining the sales plan and asking these executives to put some special pressure behind the drive in their own organizations in order to cash in on the sales and advertising work being done by General Grinder.

100 Sign for American Fair

More than 100 exhibitors will reserve space for the second annual American Fair to be held in the Atlantic City Auditorium next July 16 to August 26—among them being International Business Machines Corporation; Singer Sewing Machine Company; Trenton, New Jersey, Chamber of Commerce, embracing forty-nine manufacturers in that district; various departments of the Government, and local chambers of commerce and two foreign governments.

Has Two Sides . . .

Advertising Has Double Value



AT a time when you look twice at every dollar before you spend it, Business Paper advertising has this *extra* value. It can shoulder the burden of your promotion at little cost, for it reaches without wastage the people who really and directly buy from *you*—the users of your product or the controllers of its destiny in distribution.

AS A
PINCH-HITTER

BUSINESS PAPERS, INC.

AVENUE—NEW YORK CITY

tion of manufacturing and selling costs. These activities will be initiated or influenced by the 1,400,000 subscribing readers of 135 A.B.P. publications who, by their strategic position as primary buyers, can glut or clear the lines of production and distribution.

Twenty-eight Advertisers Formed Magazine Million Club in 1930

Twenty-eight national advertisers spent more than $1,000,000 in magazines in 1930, *National Advertising Records* of the Denney Publishing Company, New York, announced this week in summarizing figures for eighty-six magazines. Twenty-one of these companies spent more in 1930 than they did in 1929 Expenditures of these advertisers in magazines, national farm magazines and radio (including figures also for the Pepsodent Company, the sponsors of the famous "Amos 'n' Andy," hour, which ranked as the largest user of radio) follow:

	National Magazines		National Farm Papers		Radio (N. B. C. and C. B. S.)	
	1930	1929	1930	1929	1930	1929
American Tobacco Co.	$1,545,474	$ 900,646	148,000	6,000	$ 842,020	$472,872
Armstrong Cork. Co.	1,310,310	1,194,650	100,300	90,000	221,242	150,910
California Packing Co.	1,314,585	753,710			84,695	
Campbell Soup Co.	1,971,800	1,884,300				
Chrysler Motor Corp.	1,834,180	2,091,079	194,300	165,200		
Colgate-Palmolive-Peet Co.	2,969,717	2,233,553			449,496	436,222
Congoleum-Nairn Co.	1,150,460	1,343,650	89,250	94,200		
Drug, Inc.	3,049,887	2,960,800	64,709	32,716		
Ford Motor Co.	2,284,855	1,551,555	241,000	211,600		
General Electric Co.	2,708,109	2,452,853	34,200		415,551	469,889
General Foods Corp.	4,248,871	4,090,440	310,663	328,793	255,226	197,040
General Motors Corp.	7,099,275	8,658,252	457,550	599,756	303,267	377,125
H. J. Heinz Co.	1,248,320	557,350			157,273	7,336
Kotex Co. and Kleenex Co.	1,306,031	871,895	50,600	16,110		
Lambert Pharmacal Co.	3,027,892	3,125,165	218,852	210,300		
Lamont, Corliss & Co.	1,142,692	1,121,034			46,047	9,256
Lehn & Fink, Inc.	1,057,589	1,118,568			11,781	132,135
Lever Bros., Inc.	2,008,577	1,212,231	92,950	10,800	66,027	
Liggett & Myers	1,376,910	1,378,718	7,500	188,449		
Pepsodent Co.	680,335	787,368			1,219,462	226,868
Procter & Gamble Co.	4,512,500	4,139,148	43,818	22,069	255,168	56,157
Quaker Oats Co.	1,336,267	1,312,810	138,350	197,040	861,772	29,056
RCA Victor Co.	1,396,315	1,581,446	38,840	81,303	474,223	390,492
R. J. Reynolds Tobacco Co.	1,425,975	1,031,432	101,350	35,600	166,463	
E. R. Squibb & Sons	1,009,638	888,647			93,631	29,624
Standard Brands, Inc.	3,400,181	1,951,596	23,600	11,250	813,664	295,415
Swift & Co.	1,530,893	1,125,109	109,100	98,970		
Texas Co.	1,321,900	708,405	95,200	141,250		
Vacuum Oil Co.	1,292,972	802,242	8,100	32,400	211,889	130,770

Harness Buying Power, Urges John Benson

"Advertising is needed now not so much to create buying power, but to utilize such as exists," John Benson, president of the American Association of Advertising Agencies, told the Poor Richard Club, Philadelphia, at its twenty-sixth annual dinner, coincident with the two hundred and twenty-fifth anniversary of Benjamin Franklin's birthday, January 17.

"There is a lot of stagnant money in the country, in the banks and elsewhere," Mr. Benson pointed out. "It may be too much to claim that advertising is the heart of things, but it certainly is a good pumping organ—it can pump a golden stream by telling the world of better goods and lower prices."

Lucky Strike's Volume up 6,219,766,000

Sales of Lucky Strike cigarettes in 1930 were 6,219,766,000 more than in 1929, the American Tobacco Company, New York, announced this week.

The increase for December was 653,108,000 over December, 1929.

The company's earnings in 1930 have been estimated at more than $42,500,000, an increase of about $12,500,000 over the previous record in 1929.

F. A. A. Meets September 14

The annual meeting of the Financial Advertisers' Association will be held in Boston the week of September 14. Ralph M. Eastman, assistant vice-president of the State Street Trust Company, is chairman of the general committee.

Chains Cut Bread Prices; Dispute Need of Probe

Passing on to the consumer the lower cost of wheat and flour, chain stores throughout the country have lowered the price of bread, generally, to the pre-war price of five cents, R. W. Lyons, executive vice-president of the National Chain Store Association, New York, announced this week. A number of large chains cut the price of bread many months before the Senate began its inquiries into the discrepancy between bread prices and lowered wheat and flour prices.

U. S. Rubber Gets Samson

United States Rubber Company has taken over the $8,000,000 plant of the Samson Tire & Rubber Company, Los Angeles, to help in serving western, far eastern and South American markets.



INDIANAPOLIS

—*gateway to a profitable market*

Consumers of the Indianapolis Radius . . . that broad, fertile territory including Indianapolis and stretching outward for a distance of approximately seventy miles in all directions . . . are singularly like-minded in their buying preferences. This is the result, partly, of the dominant influence and easy accessibility of Indianapolis, which, besides being the seat of state government, is the industrial, financial, retail and jobbing center of this inviting market.

It is the reflection, in addition, of the confidence 138,000 Hoosier families place in Indianapolis's *first* newspaper . . . The News. As Indianapolis is the gateway to the Indianapolis Radius, so is The News the demonstrated avenue of approach to its purchasing power. With its readers, dependence upon The News for buying information has become a *habit*. Thoughful advertisers put these powerful influences to work for themselves by *concentrating* in The News. They thoroughly cultivate the Indianapolis Radius for only *one* reasonable advertising cost . . . and thus, with *greater profit* to themselves.



The INDIANAPOLIS NEWS

sells **The Indianapolis Radius**

Member of the 100,000 group of American cities

New York: DAN A. CARROLL, 110 East 42nd St. — DON BRIDGE, *Advertising Director* — *Chicago:* J. E. LUTZ, Lake Michigan Bldg.

Pritzker Heads Gillette Promotion; AutoStrop Gains in the Merger

Charles M. Pritzker, for several years advertising manager of AutoStrop Safety Razor Company, New York, has been appointed to a similar position with the new Gillette-AutoStrop Company. He will make his headquarters in Boston.

Mr. Pritzker's appointment is another step toward consolidating the interests of the two companies which were formally merged last November. The lines of each, however, will continue to be advertised and distributed separately.

Plans for the merger and an outline of AutoStrop's strategic position in it were mentioned in SALES MANAGEMENT of September 20, 1930. Although AutoStrop's assets at that time were only about $6,385,322 as compared with $57,115,796 for Gillette, the patent litigation which was then being pushed by AutoStrop against Gillette for alleged infringement of its new slotted, cornerless blade—coupled with AutoStrop's aggressive merchandising and advertising policies, was expected to give this company an advantage in the combine out of proportion to its actual size. This prediction has since been borne out by the fact that Gillette stockholders paid about $20,000,000 for the AutoStrop property, and that AutoStrop, headed by Henry J. Gaisman, inventor of the AutoStrop and Probak blades, has a large representation on the new board.

In addition to Mr. Gaisman, it is expected that Nathan R. Maas, formerly president, and S. C. Stampleman, vice-president in charge of sales of AutoStrop, will also be given important executive positions.

Frank J. Fahey, vice-president and general manager of Gillette, has been the active head of the company since the retirement, about fourteen years ago, of King C. Gillette, its founder and inventor of the safety razor. Mr. Gillette, however, has continued as president.

Radio Fans Write More

One and one-half million more pieces of "fan mail" were received by National Broadcasting Company in 1930 than in 1928, and nearly a million more than in 1929—the totals for the three years being 772,483, 1,279,796 and 2,181,756.

A bill has been introduced in the Massachusetts Legislature to appropriate $250,000 annually for publicity and advertising—authorizing the Governor to appoint a publicity director at a salary of $15,000 a year.



Charles M. Pritzker

Project National Program for New Moxie Combine

Plans for the merger of the Moxie Company, the Moxie Company of America and the Pureoxia Company, to be known as the Moxie Company, have just been completed and a nation-wide development program will start soon.

Frank M. Archer, Boston, is chairman of the board and general manager; Francis E. Thompson, president; Frank M. Archer, Jr., vice-president and clerk; Benjamin B. Avery, Arnault B. Edgerly, vice-presidents; Harry A. Thompson, secretary-treasurer; Eugene J. Harrigan and Joseph T. Brennan, assistant secretaries.

The advertising account is handled by Dorrance, Kenyon & Company, Boston, affiliated with Dorrance, Sullivan & Company, New York.

75,000,000 Visitors May See Chicago Fair

"A minimum of 75,000,000 visitors" are expected by the Chicago Association of Commerce to attend the Century Progress Exposition to be held on the lake front there in 1933. Daily attendance, it is anticipated, will be from 500,000 to 3,000,000.

Already 132 business and fraternal organizations have decided to meet at Chicago in that year.

Sinclair Oil Acquires 8,633 Outlets; Seeks to Defeat Standards

Seventy-two marketing concerns and numerous individual marketers, comprising a total of 8,633 bulk distributing plants, service stations and other dealer outlets, were acquired in 1930 by Sinclair Refining Company, chief domestic marketing subsidiary of Sinclair Consolidated Oil Corporation, New York.

This figure does not include extensive facilities obtained in Mexico during the year through purchase of the Pierce Petroleum Corporation.

None of the acquisitions were made in states in which Sinclair was not already operating. The company's marketing territory now extends from the eastern seaboard to the Rocky Mountains.

Plans for the acquisition by Sinclair Consolidated of the Prairie Oil & Gas Company, Prairie Pipe Line Company and the Tide Water Associated, to form a world-wide organization with total assets exceeding $1,000,000,000 were announced last summer. At that time, it was said by Harry F. Sinclair, chairman, that the plans had reached an "advanced" stage.

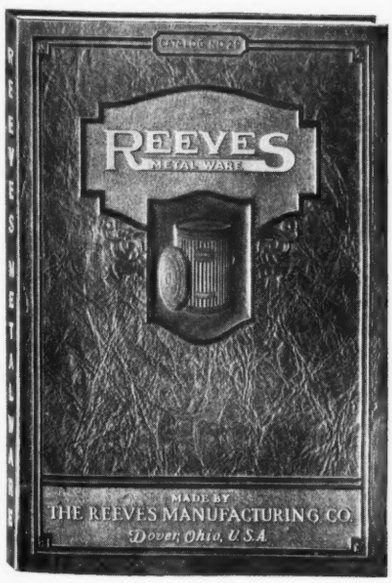
If that merger should materialize, Sinclair would rank second only to Standard Oil Company (New Jersey) among American oil enterprises. At the end of 1929 the assets of Standard of New Jersey were $1,767,000,000. Sinclair, with assets of only $401,000,000, was among the smallest of the thirteen leading oil enterprises of this country. Although the assets of Cities Service Company would still be slightly larger than the proposed Sinclair combination, only about half its operations are confined to oil.

Of the thirteen leading companies, five are members of the "Standard Oil group," eight independent. These thirteen had combined assets at the end of 1929 of more than $8,000,000,000—the five leaders of Standard Oil totaling about $4,000,000,000, and the eight independents about the same. Second to New Jersey at that time was Standard Oil of New York with $708,000,000; Indiana, $697,000,000; California, $605,000,000, and Vacuum, $206,000,000. Of the independents Shell (controlled by the British Royal Dutch Shell interests) had assets of $662,000,000; Cities Service, $1,090,000,000; Gulf, $687,000,000; Texas, $610,000,000; Sinclair, $401,000,000; Tidewater, $251,000,000; Purol, $215,000,000, and Conoco, $198,000,000.

MOLLOY CATALOG COVERS



"That Catalog Cover Idea, Molloy developed, is certainly a winner"



Molloy Covers are specially designed for each catalog proposition after a careful consideration of the character of merchandise and trade to be sold.

The 'Mason Seals' Catalog Cover, is a loose-leaf, post binder, of artificial leather, beautifully embossed in cape grain, maroon color, with center panel in bronze.

The 'Reeves Metal Ware' Catalog Cover, for a case-bound book, is of artificial leather, handsomely embossed in mission grain, of dark green color, with center and lower panels in green bronze and with back bone title in gold leaf.

These are typical examples of Molloy Covers which are made for every type of catalog or other sales book, from the thin book of a few pages to the largest catalog with hundreds of pages. They are made for any type of binding, from *case-bound books* with thin flexible covers or stiff heavy boards, to any style of *loose-leaf covers — ring-binders* or *post binders.*

Put your catalog problem up to Molloy Artists. Let them submit a cover idea that will add to the selling value of your book, creating a favorable impression and reflecting the high quality of your line. There is a full range of materials and prices to suit your sales problem.

SEND FOR A SAMPLE COVER

Flexible Covers
Stiff Board Covers
Loose-Leaf Covers

Artificial Leather
Flexible Mocotan
Hot Die Embossed Paper

THE DAVID J. MOLLOY COMPANY

2869 North Western Avenue
CHICAGO, ILLINOIS

New York Address:
52 Vanderbilt Avenue

Stromberg-Carlson Takes the Lead for Truth in Radio Advertising

"$79, formerly $229. . . . Don't you wonder how the manufacturers of such receivers can remain in business—if they are still in business?" asks the Stromberg-Carlson Telephone Manufacturing Company, Rochester, in an advertising campaign recently launched on behalf of "truth in radio advertising."

The purpose of the campaign, as George A. Scoville, vice-president and sales manager of the company, explained to SALES MANAGEMENT, is threefold:

1. To protect the future of the radio industry, by preventing the public from buying inefficient sets;
2. To protect the public by telling the truth about the low-priced radio receivers;
3. To protect radio dealers' reputations and profits and to keep the merchandising of radio in the hands of experienced dealers.

"You see advertised radios of every conceivable size at every conceivable price," the opening advertisement of the series pointed out. "Don't you marvel how all of them can be 'the finest in tone quality and workmanship which radio science has ever achieved?'

"You see trade-in allowances equaling the price of many brand new sets. Does it occur to you that sets on which such allowances can be made often are built of salvaged parts from bankrupt factories?

"Before you pay money down on a Christmas receiving set find out the facts about bargain 'radio.' The same words can be used to describe an inferior product as to describe a superior one."

Before starting the campaign, Stromberg-Carlson put the merits of its products to the vote of a "jury" of 285 radio service engineers of metropolitan radio dealers—the verdict being strongly in its favor.

"Radio manufacturers cannot reduce prices beyond a certain level without impairing quality," Mr. Scoville pointed out.

"Broadcasting stations all over the country have spent millions of dollars in perfecting transmissions of radio programs. They are attempting to reproduce programs of great artists with perfect fidelity. If the listener is unable to sense 'presence' when an orchestra is playing and when the voices of great artists are on the air, then he may be sure that something is lacking. This 'something' is probably the product of the present year which is being produced by a horde of new manufacturers.

"From the dealer's standpoint," Mr. Scoville believed, "the selling of small-sized, low-priced sets means inevitable destruction of his profits. A careful study of the dealers' costs of doing



George A. Scoville, vice-president and sales manager of Stromberg-Carlson.

business, carried over a period of years, indicates that he cannot make money on radio units of sales less than $150. There is a definite fixed cost in selling a radio set which cannot be denied or lessened when taken over a period of time.

"The remedy for the situation is for the radio dealer to concentrate the major part of his effort on the sale of quality and full-sized sets which give the best reproduction of programs. In so doing, the dealer will take a big step toward insuring that his store will continue a profitable business, and that the public will maintain its interest in radio."

Letters commending the company for its stand have been received from publications, executives of other manufacturers of higher-priced products and radio dealers.

Stromberg-Carlson has always been a consistent user of advertising. In 1929 and 1930 the company had the biggest advertising budgets in its history. This year Stromberg-Carlson will continue that policy.

Post Office Department Acts to Remove Duties on Advertising Matter

The Post Office and Treasury departments, through the Department of State, are taking action toward the establishment of arrangements between the United States and Canada for a reciprocal duty-free entry of advertising matter sent by mail between the two countries, the Merchants' Association of New York was informed this week.

Section 320 of the Tariff Act of 1930, it was pointed out, authorizes administrative officials of the United States to conduct negotiations with foreign countries looking toward such an agreement—although the act in itself failed to bring about any immediate change in the situation.

A number of American concerns doing business in Canada are handicapped by the present duty of fifteen cents a pound on all advertising matter sent there.

Calavo Growers Double Advertising Basis

The advertising assessment of the Calavo Growers of California, Los Angeles, has been increased from one to two and one-half cents a pound. In addition to national magazines, a number of business publications representing wholesalers, retailers, hotels and restaurants are being employed.

In the last seven years the association has spent $132,372 in advertising. It also estimates the value of advertising by dealers in this period as $17,000, publicity in magazine and newspapers, $250,000, and publicity on menus, $78,000.

In the fiscal year ending September 30 the membership was increased from 480 growers to 1,254.

Camel Adds 16 Stations to Its Radio Chain

Sixteen stations, chiefly in the south and west, will be added by R. J. Reynolds Tobacco Company to the network broadcasting the Camel Pleasure Hour, beginning January 28.

A condensed version of "Blossom Time," featuring Tandy MacKenzie, Hawaiian-American tenor, will be the initial presentation. Reinald Werrenrath and Mary McCoy will be assisting stars.



WLW

The Nation's Station

The organ is one with the mood of the artist. No instrument surpasses it in power and beauty. None is more adaptable to classic or popular melody. None symbolizes so unerringly the power, the beauty, and the adaptability of the great station which it serves.

THE CROSLEY RADIO CORPORATION

CINCINNATI

Sunkist Boosts Budget $500,000; Increases Newspaper Schedule

The advertising appropriation of the California Fruit Growers' Exchange, Los Angeles, has just been increased $500,000—the total appropriation for 1931 being $2,400,000, W. B. Geissinger, advertising manager, announced this week.

The increase will be devoted to a special campaign on oranges, in newspapers, radio and posters, Mr. Geissinger said. Twenty-seven large advertisements will be run on food pages of sixty-two newspapers in thirty-six markets of the United States and Canada, and five four-color pages are scheduled for the *American Weekly*.

The present length of outdoor showings in the United States and Canada will be doubled.

The scope of the Sunkist dealer service department has also been extended. Mr. Geissinger estimates that about 125,000 calls will be made on fresh fruit dealers throughout the year by this department and by newspaper merchandising crews.

Finds Inventories at Lowest Levels

"Inventories of retailers, jobbers, wholesalers and manufacturers today are even lower than in 1920 and 1921," Frank S. Cunningham, president of Butler Brothers, Chicago, wholesaler for variety stores and operating its own retail chain in this field as Scott Stores, pointed out this week in announcing the results of a survey of 2,000 merchants throughout the country.

"The merchandiser today is generally in a liquid position," Mr. Cunningham said, "with no large stocks of high-priced goods to work off, and able to take immediate advantage of improvement."

Arnold and Beach Merge

Arnold Electric Company and Hamilton Beach Manufacturing Company, Racine, Wisconsin, manufacturers of electric appliances, have merged. The Gilchrist Company, Newark, associated with Beach, is included in the merger and will be moved to Racine. F. B. Meyers, of Beach, will direct operations.

F. T. C. Reviews 16 Years

Federal Trade Commission has just published "Statutes and Decisions Pertaining to the Federal Trade Commission," the 1,240 pages of which cover the commission's work since its inception in 1914 to January, 1930.

I. B. M. Introduces "Counting" Scales

Scales which count the number of units being weighed are now being introduced by International Business Machines Corporation, New York.

The quantity of uniform articles, such as washers, screws or piston rings, is shown automatically on the new device—a unit of the material to be weighed being placed in a separate pan. Another scale measures cloth by setting off the weight of a single yard and then recording the total.

Freeman Shoe Starts $100,000 Campaign

One hundred thousand dollars will be spent this year in the "most aggressive advertising and sales campaign ever launched" by the Freeman Shoe Corporation of Beloit, Wisconsin, R. E. Freeman, president, announced this week. The campaign is in charge of Klau-Van Pietersom-Dunlap-Younggreen, Inc., Milwaukee agency.

It will consist of half and quarter pages in the *Saturday Evening Post* and half-hour weekly broadcasts over Station WMAQ of Chicago, and KDKA, Pittsburgh. Several other "key" stations may be added.

More than $6,700,000 worth of Freeman shoes were sold by the company's 6,500 dealers last year.

Forms Road Oil Division

Associated Oil Company, San Francisco, has appointed E. Whitehead, sales manager of the fuel oil department, to take charge of the new department of road oils.

Recommended Window Display Installation Services List Available

With the cooperation of several hundred advertisers who use window display installation services, Sales Management has compiled a list of these services in the 255 largest cities of the country. The names are restricted to those services which three or more advertisers report as having rendered satisfactory service. No charge for the list. Address: Readers Service Department, Sales Management, 420 Lexington Avenue, New York.

Readers Tell "Personal" Value of Advertising in $5,000 Contest

Five thousand dollars in cash prizes are being offered by Foster & Kleiser Company, outdoor advertising agency, and a group of Pacific Coast newspapers, in a contest among consumers there on "How Advertising Has Increased *My* Happiness."

Judges for the contest, which will close the end of February, are Dean Vernon McKenzie, University of Washington; W. F. G. Thacher, professor of advertising, University of Oregon; Royal A. Roberts, a professor at the University of California; Don Francisco, vice-president of Lord & Thomas and Logan, and Herman Nator, president of the Pacific Advertising Clubs Association.

A rule of the contest forbids mention of a publication or type of medium in which the "influencing" advertisements appear.

Thorpe Leaves Sun-Maid; Broker Plan Effective

Carlyle Thorpe, president of the Sun-Maid Raisin Growers of Delaware, manufacturing and marketing organization of the California raisin cooperative, has resigned. Mr. Thorpe is also general manager of the California Walnut Growers' Association. He took the Sun-Maid post at the request of Charles C. Teague, California member of the Federal Farm Board, and agreed to remain as president until the 1929 crop had been moved.

Mr. Thorpe pointed out that 85,108 tons of 1929 crop raisins had been sold under his administration, at a saving in operating costs of nearly $1,200,000—one factor being the change from the direct system of sales to the present broker system.

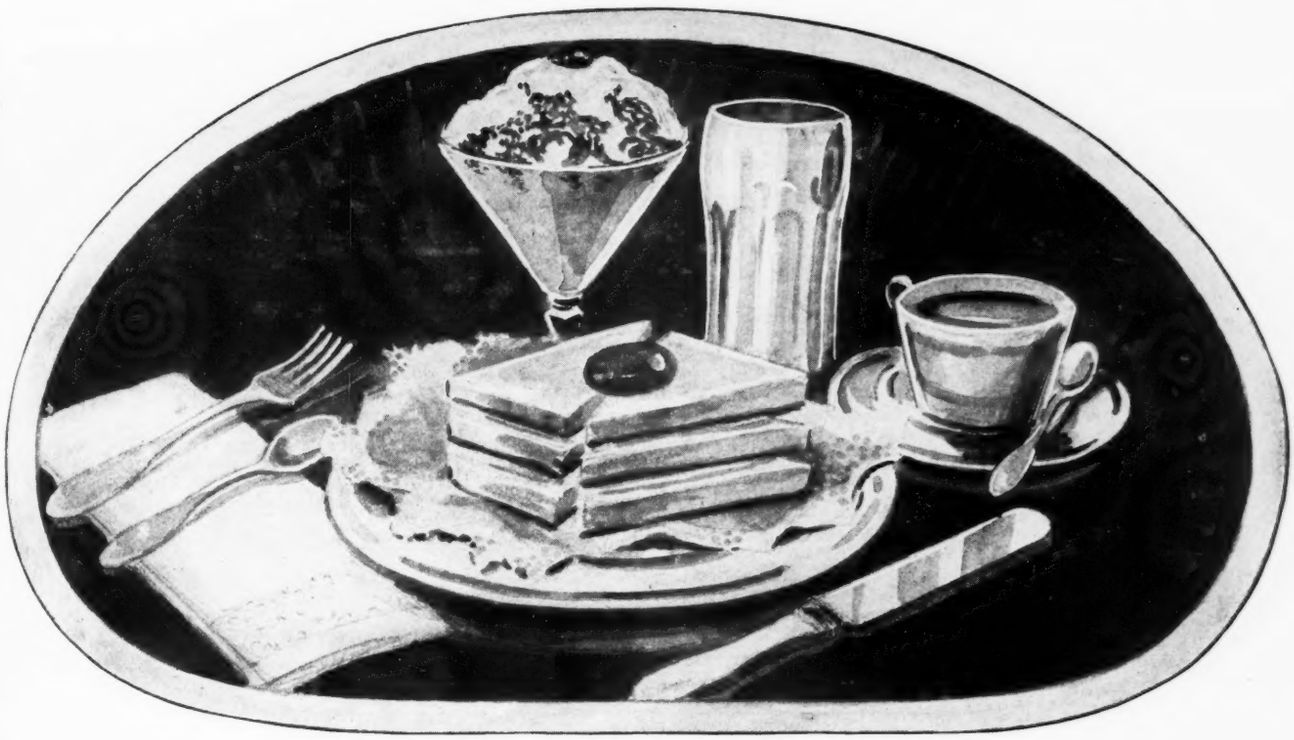
Lewis Lilly, vice-president, succeeds him.

Develops New Tire Tube

General Tire & Rubber Company, Akron, has developed a new black tube for use in truck tire casings, which is said to resist successfully internally generated heat. The company recently announced reductions on its four-, six- and eight-ply passenger car tires.

Crosley Exports Gain

Foreign business of the Crosley Radio Corporation, Cincinnati, last year was 40 per cent ahead of any previous year in its history, Charles J. Hopkins, manager of the foreign department, announced this week. A considerable part of the increase was in South America and South Africa.



Food for Thought—for Food Manufacturers

When you buy space in a newspaper or a magazine of national circulation, you buy it primarily to reach the consumers of food. In every such instance you must figure on a certain percentage of waste circulation, on a certain percentage of readers who fail to see or find interest in your advertisement and after these deductions you must then determine the cost per capita for reaching your consumer market via each given medium.

By applying precisely the same scientific methods of determining advertising efficiency on a cost basis to the Soda Fountain magazine, here is what you will find:

1. A cost per thousand that compares quite favorably with publications reaching the public direct.
2. Virtually no waste circulation whatever.
3. A minimum per capita of consuming power that substantially exceeds the per capita consuming power of individual housewives.
4. A *maximum* per capita of consuming power equal to that of a food retailer.
5. An unusually high *average* per capita of consuming power.
6. Your advertisement printed on coated paper.
7. An assured attention for *your* advertisement on the part of *each* reader, due to the fact that fountain operators read the text and advertising pages of Soda Fountain magazine because it deals—and only—it deals—exclusively with *their business.*
8. Your advertisement reaching a type of retail outlet, namely the soda fountain, which has, in fact, become the *food sampling ground* of the nation.

From all of which it is evident the Soda Fountain magazine is not only an unusually fine consumer medium but is also a particularly strategical trade influence for food manufacturers.

In fact, in less than a year Soda Fountain magazine received 12,372 requests for recipes and other literature on foods, from its reader audience of 60,000 fountain operators.

THE SODA FOUNTAIN

420 Lexington Ave., New York City



Wine Growers Fight Racketeering Forces in National Drive

Aided by an advertising campaign for Vine-Glo, a grape concentrate for home wine-making purposes, the California Grape Control Board, San Francisco, has announced that in 1931 no more grapes will be ordered to "rot on the vines as in 1930."

The advertising campaign for Vine-Glo is now running in Chicago and Milwaukee, and will soon be extended, under the direction of McCann-Erickson Company, to New York and other large cities.

A current booklet, "The Story of Fruit Industries, Ltd.," marketing agency for the concentrate, outlines the scope of the program—the purpose of which is to enable people throughout the country to obtain legally and economically a year-round supply of fresh grape-juice concentrate and other by-products, without having to resort to the services of racketeers. Racketeers, it is pointed out, take advantage of the fact that fresh grapes must be distributed in three months and profit by the resultant glut in metropolitan terminals.

They prevent the unloading of cars, threaten legitimate buyers and terrorize distributors; then get the shipments of fast-spoiling grapes for almost nothing and convert them into strong "commercial" wine with the aid of "denatured" alcohol.

Emphasizing the fact that the United States Government has given financial support to the Fruit Industries plan, the booklet points out that, as a result of the demoralized grape industry, New York housewives have been paying eleven and a half cents a pound for table grapes for which the California farmer received less than one and a half.

Loose-Wiles Moves

The advertising division of Loose-Wiles Biscuit Company (Sunshine Biscuits) has been moved from Kansas City to Long Island City, New York. B. C. Lawton, assistant advertising manager, has been made advertising manager, with D. B. Reed, Jr., and R. C. Hull assisting.

Campbell Builds in Canada

To overcome the recent Canadian food tariff imposed on United States products, Campbell Soup Company of Camden, New Jersey, will start soon the construction of a new Canadian plant near Toronto.

Represents Rural New Yorker

Riddle & Young, New York and Chicago, has been appointed national advertising representatives for the *Rural New Yorker*, New York.

Smiles, New Cigarette, Tackles Big Four

Smiles, a new fifteen cent cigarette, has just been introduced "in a very small and quiet way" by Stephano Brothers, Philadelphia, importer of Turkish tobacco and manufacturer of Egyptian cigarettes, in New York, Boston, Detroit and Cleveland.

"At present we are only placing Smiles with a few of the better class dealers," an official of the company told SALES MANAGEMENT. "Initial advertising will be confined to special deals with dealers. If the cigarette shows enough life to warrant it, we may spend a small amount to advertise it later."

Six Manufacturers Push Paint Promotion Plan

Six prominent paint manufacturers are cooperating as the Allied Quality Paint Group in a nation-wide promotion campaign—the first phase of which will be a radio broadcast over forty-three stations of the National Broadcasting Company, beginning January 27, and featuring Paul Whiteman and his orchestra.

Members of the group are Acme White Lead & Color Works, Detroit; Lowe Brothers Company, Dayton; John Lucas & Company, Inc., Philadelphia; Martin-Senour Company, Chicago; Rogers, Detroit, and Sherwin-Williams Company, Cleveland.

Henri, Hurst & McDonald, Inc., Chicago agency, is directing.

Pabst Sales Increase; Starts Radio Series

Sales of the Pabst Corporation, cheese and malt products, Milwaukee, in 1930, were 54 per cent larger than in 1929.

In addition to an extensive newspaper campaign, the corporation will launch, February 3, a weekly program over the Columbia chain, featuring Richy Craig, Jr., a comedian, as the Blue Ribbon Malt Jester.

Widen Liquid Sugar Sale

Liquid Sugar of America, Ltd., a subsidiary of the International Sugar Company, has established its headquarters plant at Los Angeles, and has also purchased the Union Mill of the Sperry Flour Company at Stockton, California, which is being remodeled to take care of Northern California and Nevada trade. The product is being used by manufacturers and confectioners.

Gossip

L. A. GRAHAM, until recently vice-president in charge of sales for the Relay Motors Corporation, Lima, Ohio, is now vice-president and director, and merchandising specialist, of Freeze-Vogel-Crawford, Inc., Milwaukee agency. GARRIT C. DEHEUS and CARL W. GARRISON, account executives, have been elected directors. . . . THEODORE S. REPPLIER and E. M. POST are now on the advertising copy staff of Young & Rubicam, Inc., New York agency. They were formerly with Ewing, Jones & Higgins, Inc. . . . Alfred Wallerstein, Inc., advertising, New York, has merged with Redfield-Coupe, Inc., there, under the latter name. . . . THOMAS M. JONES, formerly president of Ewing, Jones & Higgins, Inc., has joined Geare-Marston, Inc., at Philadelphia, where he will direct the merchandising department of the company. . . . ADOLPH JANSEN, JR., formerly with McCurdy Smith, Inc., and previously vice-president of Stearns-Jansen Company, has joined Wilson & Bristol, Inc., New York agency, as account executive. . . . CHARLES C. JOHNSON, JR., advertising and sales promotion manager of Universal Mills, Fort Worth, is now with Wimberly-Hubbard Agency, Inc., there. . . . ARTHUR J. RITCHIE, formerly editorial director of Northwest Cripps-Canfield newspapers, has become vice-president of Western Agency, Inc., Seattle. SHELBY C. COLE has been appointed production manager. . . . JOSEPH GORDON, for many years a reporter with various New York newspapers and for two years correspondent with the London Bureau of United Press Association, has joined Erwin, Wasey & Company, New York. . . . WILLIAM L. STODDARD, former editor of the *Outlook*, is now with Dickie-Raymond Advertising Agency, Boston, and its affiliated company, the Porter Corporation . . . . EDWARD KLAUBER, assistant to the president, and HUGH KENDALL BOICE, in charge of sales of the Columbia Broadcasting System, New York, have been elected vice-presidents. . . . RAY L. POWERS, formerly advertising manager of the Houston *Press*, has become local advertising manager, succeeding M. Y. STOKES, JR., resigned. HARRY HERZOG is now national advertising manager. . . . DONALD KING, former assistant sales promotion manager of the American Products Company, Cincinnati, has joined the copy department of Marx-Flarsheim Company, advertising agency there. . . . JAMES ZOBIAN, for four years special representative of the United Business Publishers, Inc., and for ten years director of advertising and sales promotion for Philip Morris & Company, Ltd., New York and Montreal, has joined Einson-Freeman Company, Inc., New York lithographers, as a sales representative. . . . HARRY G. HOFFMAN, for the last six years advertising manager of the industrial and agricultural tractor division of the Allis-Chalmers Manufacturing Company, has joined the Dyer-Enzinger Company, Inc., Milwaukee agency, as an account executive. . . . ELMER E. BULLIS, for the last thirty years space buyer for Lord & Thomas and Logan, Chicago, has been transferred to the new business department.

Account Changes

FIRESTONE TIRE & RUBBER COMPANY, Akron, Ohio, to Batten, Barton, Durstine & Osborn, Inc., New York.

UNITED BOSCH CORPORATION, Springfield, Massachusetts, radios, spark plugs, magnetos, etc., to E. T. Howard Company, Inc., New York.

FRENCH BATTERY COMPANY, Madison, Wisconsin, Ray-O-Vac flashlights, radio and ignition batteries, to Sidener, Van Riper & Keeling, Inc., Indianapolis.

LYON METAL PRODUCTS, INC., Aurora, Illinois, steel storage and display equipment and Steelart folding tables and chairs, to Erwin, Wasey & Company, Ltd., Chicago.

ALVIN CORPORATION, Providence, Rhode Island, subsidiary of the Gorham Company, sterling and plated silverware, to Kenyon & Eckhardt, Inc., New York City.

GEORGE E. MARSTERS COMPANY, Boston, tourist agency, to Albert Frank & Company, there.

CINCINNATI ADVERTISING PRODUCTS COMPANY, Cincinnati, glass advertising globes and signs to Keelor & Stites Company, there.

LE BOEUF FOUNTAIN PEN COMPANY, Springfield, Massachusetts, Pilgrim pens and pencils, to Porter Corporation, Boston.

DARWIN, LTD., Sheffield, England, Darwin razor blades, advertising in the United Kingdom, to Erwin, Wasey & Company, London.

V. MUELLER & COMPANY, Chicago, surgeons' instruments and hospital supplies, to Simmonds & Simmonds, Inc., Chicago.

KOSMOS PORTLAND CEMENT COMPANY, INC., Louisville, to the Proctor & Collier Company, Cincinnati.

UNIVERSAL MILLS, Fort Worth, Texas, Red Chain feeds and Gold Chain flour, to Wimberly-Hubbard Agency, Inc., there.

MORRISON COMPANY, Philadelphia, Mrs. Morrison's pudding and pie filling, to Martin-Pilling-Shaw, Inc., of that city.

AUTOMATIC DRIVE & TRANSMISSION COMPANY, Gloucester City, New Jersey, and OVERDRIVE PRODUCTS COMPANY, Cleveland, to Brotherton, Inc., Detroit.

JOUBERT CIE, INC., perfume, New York City, to Small, Kleppner & Seiffer, Inc., there.

HENRI, CONFISEUR, French restaurant and confectioners, and HARRISON GRANITE COMPANY, INC., memorials, both of New York, to Wilson and Bristol, Inc., there. Newspapers and magazines.

GLO-CO COMPANY, Los Angeles, liquid hairdressing, to Albert Frank & Company there. National magazines.

Another Business *okays* Autopoints!

they are doing a successful job for American Flyer Mfg. Co.



J. E. CUFF
Vice-President and General Manager, American Flyer Mfg. Co., Chicago

THE uses which American business finds for Autopoints are many and varied. Every sales manager can find pointers to help his own business in the ingenious ways by which manufacturers in different lines supplement other sales efforts with this famous pencil.

Now the American Flyer Manufacturing Company of Chicago presents a new angle. This concern manufactures toy trains. It is a generous user of printed advertising. But, like others, this firm has found that Autopoints supplement the work which publication advertising does. They reach "non-readers," help maintain contact with persons whom the salesman cannot contact, build good will in scores of ways with important people.

At toy fairs

The American Flyer Company uses Autopoints to distribute among dealers and to pass out at toy fairs. "We have tried other articles," says J. E. Cuff, vice-president and general manager, "but they have not gone with the success of the Autopoint Pencil."

Mr. Cuff explains the popularity of Autopoint by saying that "it is the preferred pencil because of its wide barrel, which makes it easy to handle and does not cramp the fingers."

Are you looking for some means of recompensing salesmen, agents, friends or others that will register big with them yet not be over-expensive to you? Then take a tip from the experience of this toy manufacturer. Try Autopoint Pencils.

Some firms use Autopoints as prizes. Others as "good will" advertising. Whatever your business, we are sure there is one way in which Autopoints can be of service to you. Let us help you find it.

WRITE for an Autopoint tested sales-plan for your business.

Tested sales plans

Send the coupon below and we will tell you how we think Autopoint can be used in your business. Our experience covers scores of different lines. To get a tested selling plan will cost you nothing. So fill in your name, etc., now and mail today.



Autopoint
The "Better Pencil" Made of Bakelite

3 Big Features

1 Cannot "jam"—protected by patent. But one simple moving part. Nothing to go wrong. No repairs.
2 Bakelite barrel, beautiful onyx-like, lightweight material.
3 Perfect balance—not "top-heavy."

Autopoint Co., 1801 Foster Ave., Chicago

AUTOPOINT COMPANY SM-1-24
1801-31 Foster Ave., Chicago, Ill.

Without obligation, please send your sales-building proposition, booklet, prices, etc., on Autopoint Pencils.

Signed.....

Business.....

Address.....

RAYMOND BILL, *Editor;* HENRY J. WRIGHT, *Advisory Editor;* A. R. HAHN, *Managing Editor;* D. G. BAIRD, FRANKLIN JOHNSTON, HERBERT KERKOW, WALTER MANN, JOHN ALLEN MURPHY, RAY B. PRESCOTT, FRED SUHR, JAMES TRUE, *Associate Editors;* LAWRENCE M. HUGHES, *News Editor;* DOROTHY GUERNSEY, *Desk Editor*

Editorials

FILING AWAY OUR TRADE SHACKLES: A bill to modify the restrictive influence of the Sherman anti-trust act is now being considered by the appropriate committees in Congress. This bill as described by one of its authors, a member of the commerce committee of the American Bar Association, would clothe the Federal Trade Commission with power to pass in advance on contracts which on their face are in restraint of trade, to determine whether they are in fact reasonable and in the public interest. . . . The reason for delegating powers so general is that the law does not define what is unreasonable restraint. As a result business is hampered by fear of prosecution, often little more than *pro forma,* and refrains from constructive measures rather than run the risk of entanglement in the meshes of long-drawn-out litigation. . . . The suggested legislation would tend to resolve these doubts. It would thus diminish the role which government is now compelled to play as a factor in business—a most desirable change—and at the same time enlarge the freedom of business in the prosecution of its own affairs. The public interest would be protected by a vigilant body, and small business would get a chance to enter into arrangements which would give it a better fighting chance against big business. . . . As for the competence of the Federal Trade Commission to deal with matters of so much importance, especially matters involving the exercise of wise discretion, it is to be borne in mind that large responsibility in office attracts men of ability and good sense. If Congress decides to make the commission a real interpreter of our anti-trust laws, we can be reasonably sure that the personnel of the commission will be brought up to the requirements of the job.

THE CHASTENED TRUSTS: Exactly what part the investment trusts are ultimately to play in the development of American industry is not yet clear. They were ushered into prominence with loud acclaim of their fitness to provide business with new capital for its development. As a financial bulwark they were to fill a real need. . . . As a body they have not functioned very well in this role. A good many of them were never much more than speculative pools which prospered as long as the stock market favored them. In the distressing period of liquidation they have had enough to do to save themselves. This is seen rather plainly in the reports for 1930 now coming to hand showing to what a large extent many trusts were obliged to lighten their load of sound securities. . . . It is noteworthy, however, that adversity has taught some of the trusts a lesson which in flush times they refused to learn, namely, that reserves are desirable and that speculative profits are not properly to be put in income account. It does not follow from this that the promises with which the investment trust movement was launched are now in a fair way to be fulfilled. But in view of what is being disclosed about their management, it is safe to say that they are better grounded in the rudiments of stability than they ever were before.

AN AUGURY OF GOOD: The fact that the savings bank deposits in New York state were 9 per cent more at the end of 1930 than they were at the end of 1929—the amount of the increase being $402,466,000—and that the trend is still upward are indices of great interest. Judging by current comment, however, it is not yet clear to all observers to what they point. The most obvious inference is that safety has become a leading consideration in the disposal of surplus funds; the speculators of a year and a half ago have learned to prefer security to the hazards of fortune—the bird in the hand to two in the bush. Whether people are now spending relatively less in the present uncertain days than they did when prosperity seemed assured is a doubtful deduction. But it is certain that they are building up the capital structure, impairment of which in 1929 was at once the effect of bad conditions and the cause of prolonging our difficulties. . . . It is this view of the figures just published which warrants the most optimistic conclusions therefrom. The history of most periods of prolonged depression shows that the pace of recovery depends very much on the speed with which essential capital resources are replenished after being drained away. This is a phenomenon that has its origin in human instinct. For that reason the forces behind it work continuously in spite of well-meant advice, animated by immediate feeling detached from experience, to create illusions of power when the substance of power has suffered depletion. Fortunately the natural healing process goes on. That it has done so in the present instance is pretty clearly indicated by the savings bank returns. At a time when definite signs of recovery are only too few it is reassuring, to say the least, that the savings of the people are rising, the first necessary step toward that revival of home building and home buying which is the certain precursor of better business. Plentiful mortgage money is needed but still more essential are substantial equities, which money in the bank provides.

How Detecto Increased Sales 800 Per Cent in Five Years

(*Continued from page* 141)

in their appearance and price. We have on several occasions employed artists and designers of repute to obtain better effects.

"When high-class goods become popular, they naturally create a demand for similar goods at lower prices. For several years we have felt this demand; but for the reason that a cheaper scale must be made in large quantities we have been waiting until the demand justified the production that would give a sufficiently low cost. Several tests were made in department stores to determine how a $5.00 price would affect sales. The result was highly satisfactory and indicated a tremendous market at $5.00.

"Consequently, within a short time H. M. Jacobs designed a new bathroom scale along lines different from our regular models which would sell at $5.00. These will be on sale early in 1931.

Opens Large New Market

"Care was taken to produce a model that would sell at a low price on its own merits. The general opinion of the store buyers was that a price of $5.00 would open a very large market, and that the cheaper scale, if properly designed and merchandised, would not reduce the business on the other models. This point was something of a problem, for we realized the danger of shifting a large part of our established volume from the regular line to a cheaper device.

"And so again, because of our ability to move quickly, we have advanced ahead of competition. Judging from the reaction received from buyers who have been informed of this model, its success is assured, and we know that we have opened a new market that will give us enormous additional sales without diminishing the rate of increase on our regular line of bathroom scales."

In discussing the relations of his company with its dealers, Mr. Jacobs said that department stores were selected as a channel of distribution because of their contact with the class of people the company desired to sell. He also explained that the stores buy in sufficient quantity to make distribution through wholesalers unnecessary, and that the company realized the advisability of cooperating with its retailers as closely as possible.

"The retailer is the best friend the small manufacturer can have," he added. "Furthermore, he is still the best friend when the manufacturer's goods become more or less popular. Ten or twelve years ago Detecto scales were not as easy to sell as they are today; but almost every one of the best department stores put them in and sold them, and they are still our customers.

"Practically all of our bathroom scale business goes through the department store channel, and we make it a rule to keep our products out of direct competition. If two stores are rivals, we sell but one of them. If two stores we are already selling get to competing on price, we explain to both that we do not want to break off mutually profitable relations, and we sell different models to each so that they will not conflict.

"Our policy is to make our goods profitable to the stores. We are convinced that it is best to have one live customer who is cooperating with us to sell a maximum of our scales than to sell a dozen who merely supply the demand our advertising brings to their stores.

Protect Old Accounts

"Our salesmen are so convinced of the value of this policy that, when new plans are considered, they fight for the interests of their established accounts. During the last five years, since our scales became popular, we have had many chances to multiply the number of our sales outlets; but we invariably refuse to sell a new account if it will interfere with the trade of our established customers.

"All our advertising and merchandising is planned in support of this policy. Our test of every new selling idea is, not what it will do in the way of gaining new customers, but what it will accomplish for our established trade. Our bathroom scales are bought by women almost exclusively. As each advertisement requests the reader to write for further details, we receive several thousand requests for information every month, and in every instance we refer these prospects to our established customers.

"Our dealer relationship has furnished us with many merchandising opportunities. We furnish our stores with attractive window displays, with promotional literature and with everything we can think of to aid them in selling our scales. We also advertise that our scales are offered for sale 'At All Good Stores,' and strive to send to our stores the class of customers they consider most desirable.

"Many a small manufacturer does not advertise because he thinks the amount of money he can afford to spend will not make a ripple. But what he lacks in size he can make up in the quality and attractiveness of his advertising. Our first appropriation was only about $2,000; but it produced results because it was invested in carefully thought-out advertising. Our present annual appropriation of $50,000 is comparatively small; but it is producing very profitable results because it is well illustrated and convincingly written.

"As models for many of our illustrations, for both our literature and our publication advertising, we have employed famous dancers and beautiful girls from the stage. These girls have the lithe, graceful figures that all women desire, and they most attractively illustrate the purpose for which our scales are bought.

The Charm Box

"But attractiveness is not enough; all advertising should have authority, and we feature it whenever possible. An example of this application is furnished by our Charm Box, one of the numerous merchandising features we have introduced. It also may offer suggestions as to the possibilities of developing demand by furnishing information regarding the purpose in using an advertised article.

"Through our retailers and other sources, we found that, despite all of the publicity devoted to the fad for slenderness, many women did not know how to reduce safely. We also discovered that there is an increasing number of women who desire to increase their weight. So we originated our Charm Box, an exquisitely designed little metal container made to hold a card file of a complete course of diet menus and exercises for both reducing and gaining weight.

"For both purposes, the box contains sets of cards which present directions for thirty days, a card for each day, and the proper exercises are arranged on a chart. The menus were prepared for us by a famous dietician, and the exercises, illustrated by photographs of a beautiful girl from the 'Vanities' cast, were especially arranged by a well-known physical culture expert. Both courses are as authoritative as we could make them, and we advertise the fact.

"About a year ago we announced

(*Continued on page* 168)

Government in Business

This department, reporting the latest news of interest to marketing executives from government and other authentic sources in Washington, will appear every week in this magazine. It is furnished by the Washington Bureau of SALES MANAGEMENT.

Federal Trade Rules

Clearing up to some extent the confusion that has surrounded the adoption of rules by trade practice conferences, a statement made last Monday by Federal Trade Commissioner W. E. Humphrey probably indicates the commission's conclusion of the matter. Mr. Humphrey said that he had been ready for many weeks to vote on the changes proposed in each rule of the various conferences and to give the commission's decision to the public and the interested industries. He also said that he had reached the following conclusions:

"1. That the Trade Practice Conference rules, under the method of their adoption, constitute an agreement between the competitors who sign them.

"2. That any agreement among competitors to the effect that they will not use any specified lawful method of competition is a contract in restraint of trade. It is not the province of the commission to determine the degree of such restraint, unless the matter is properly presented in a case pending before it."

Because of these conclusions, Mr. Humphrey expressed the belief in his statement that all of the rules in which the commission has made changes would be illegal without such changes, and added: "There is, of course, the probability of some error through inadvertence in applying the principles above stated to something over 1,500 separate rules." Although the commission has been widely criticized for changing rules after their adoption by trade practice conferences, it now appears that the changes were made to prevent the trades from entering into unlawful agreements.

Asphalt Shingle Case

Closely related to the Federal Trade Commission's activities in the regulation of trade association agreements, the anti-trust suit of the Government against the Asphalt Shingle & Roofing Institute is attracting a great deal of attention. If the petition of the Attorney General is sustained it will undoubtedly stimulate the various movements toward modification of the anti-trust laws. And if it fails there is little doubt that it will encourage the demands for the modification of the Federal Trade Commission Act to give the rules and agreements of trade practice conferences a legal status.

It is obvious that in the "Agreement, Merchandising Plan, Code of Ethics and Bond," the institute attempted to word its rules in conformity with the law. As this document states, the object of the agreement is to eliminate unfair practices in the industry and to obtain for the benefit of the members, full publicity in respect to all prices, discounts, terms and rebates to all of the trade. The agreement also states, "Nothing herein contained shall limit the right of each manufacturer party hereto to determine the price of any commodity manufactured and/or sold by him, nor limit the absolute right of such party to change prices at any time without previous notice."

However, the Government claims that the agreements regarding prices, discounts, freight allowances, credits, merchandising and other factors constitute restraint of trade. In regard to prices, terms and discounts, the petition states that as a part of the system the members of the institute have agreed hat no member shall deviate from its published schedule unless it shall forthwith publish to the trade and send to other members a printed price list containing such changes.

The petition then explains that as a means of coercing the members to perform the agreements described, the various defendants have agreed that an arbitrator shall determine all complaints for breaches of agreement, and may make any award therefor up to $25,000 for a single breach. "Pursuant to agreement," the petition adds, "defendant manufacturers have executed and filed with the institute surety company bonds in amounts ranging from $25,000 to $100,000 to secure the performance of said agreements and the payment of said awards."

In addition to furnishing executive readers with authentic reports of governmental and private organization activities that have an important bearing on business, The Washington Bureau will accept custom assignments on a moderate per diem fee basis, from manufacturers who wish special information from Washington sources. Through this service, SALES MANAGEMENT offers an opportunity for companies to conserve their own executive time and money which might otherwise be invested in trips to Washington for special investigations on pending legislation, trade-mark matters, the gathering of statistical data, and similar missions. Executives interested in availing themselves of this confidential service are invited to address inquiries to the editor, at 420 Lexington Avenue, New York.

No Separation of Commerce Department Likely

The proposal to create a separate department, headed by a Secretary of Foreign Trade with a seat in the President's Cabinet, is not taken seriously in government circles. This proposal was advanced last week in the form of a resolution by the American Exporters & Importers Association, and it has been reported that Frank R. Eldridge, executive vice-president of the American Manufacturers' Export Association, has praised the proposal and voiced the belief that the membership of his organization would view the plan favorably.

For many years the Department of Commerce has emphasized the importance of exporting manufactured products as a necessary adjunct to successful domestic distribution. The policy of the department always has been to combine the two, rather than to separate them. Therefore, it is not thought that the proposal can make any headway with the present administration or with Congress, nor that it has sufficient political importance to make any headway in the future.

Domestic Commerce Expansion

Recent expansion of the Commerce Department's domestic activities has attracted several specialists from well-known business organizations. The department will soon announce the employment of Eugene C. Sheeler to direct the Industry Survey Section studies of distribution for special trades, such as the retail and manufacturing jewelry surveys now being made. Mr. Sheeler was with the R. O. Eastman Company for seven years, and was vice-president in charge of the Chicago office. For nearly nine years previously he was with Fuller & Smith.

The department will also announce that Victor Sadd is taking charge of the bankruptcy studies conducted by the Merchandising Research Division. For nine years Mr. Sadd was a credit specialist with R. G. Dun & Company.

In its effort to record the regional distribution of various commodities, the Domestic Regional Division has established a new section under the direction of L. H. Morse who, after serving as director of research for a large Seattle department store, spent several years with Professor Neil H. Borden, in Boston, as a market analyst and sales specialist.

Motion Picture Advertising

Although the comparative value of different forms of advertising is a subject that the Bureau of Foreign and Domestic Commerce has not found advisable to investigate, following the request of various organizations the Moving Picture Division of the bureau is now making an exhaustive study of moving pictures as an advertising medium. Questionnaires have been mailed to 1,400 companies that have used commercial movies, and 600 more soon will be mailed. And while all known business purposes, such as increasing safety and efficiency of plant operation and the promotion of personnel relations, are being covered, advertising is given a foremost place in the study.

To determine the purposes of films, specific questions deal with good-will, gen-

eral publicity and national advertising. All users are also requested to tabulate the estimated annual attendance at showings of their pictures in theatres, schools, offices and elsewhere, for the purpose of determining and evaluating circulation. And besides the various means of distribution, the survey will include data on systems of merchandising commercial films, dealer tie-up methods, cooperative film advertising and follow-up.

The returns, which are rapidly coming in, promise to furnish the material for a complete report on the commercial film industry, and to evaluate the commercial film for all known business purposes. It is expected that the report will be published next July.

Three More Louisville Reports

Three sections of the final report on the Louisville Grocery Survey are yet to be completed, and they are among the most important. The manuscript of "Costs, Markets and Methods in Grocery Retailing" is being edited and will soon go to the printer; but owing to congestion in the Government Printing Office, it is likely that publication will be delayed until April.

About the same time the report on "Wholesale Grocery Operations" will be released. The manuscript of this report is complete, and is now in the hands of the editors.

Of the various commodities studied, reports on ten have been published, leaving about eight to come. Several of the last will not be released separately, but will be included in the final commodity report which will be published, it is now supposed, early in July.

Census of Distribution

Manufacturers who are not receiving the reports on distribution of sales for 1929 for various commodities, should notify the Bureau of the Census of the products they are interested in. While these and all other census reports are intended at this time for news and trade paper release only arrangements have been made with the bureau to send them to SALES MANAGEMENT readers. Besides a number of the reports on distribution of sales, the bureau has just released, or is about to release, a retail distribution report on the 1930 Census of Distribution for each of the following towns and cities:

In California: Whittier, South Pasadena, Los Angeles, Brawley, Glendale, San Diego, Oakland, San Bernardino, Berkeley, Santa Rosa, Riverside, Bakersfield, Burlingame, San Jose, Compton, Santa Barbara, Stockton, Santa Monica, Pomona, Richmond, Ventura, Vallejo, Long Beach and Eureka.

In Colorado: Denver, Greeley, Grand Junction, Colorado Springs.

In Idaho: Pocatello, Boise.

In Montana: Great Falls, Billings, Butte, Helena.

In Oregon: Medford, Portland, Salem.

In Arizona: Phoenix, Tucson.

In Illinois: Hawley, Oak Park.

In New Mexico: Santa Fe, Albuquerque.

In Wyoming: Casper.

In Utah: Salt Lake City.

Start Air Express Service

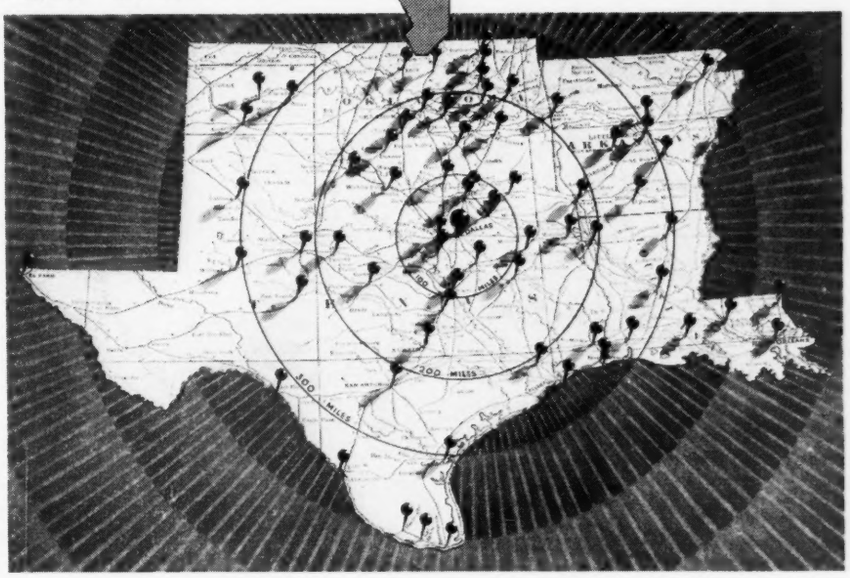
Transcontinental & Western Air, Inc., inaugurated this week an air express service, providing for the carrying of packages up to 200 pounds across the country in thirty-six hours, the rate being $1 to $1.55, according to size of shipments.

DALLAS...MASTER KEY

to 68 SOUTHWESTERN KEY CITIES

THAT SHOWED POPULATION GAINS AVERAGING 52.4%

Map Copyright by Rand McNally Company, reproduction licensed.



Increase Your sales by serving the Southwest from Dallas...the Center!

Tremendous gains in population and buying power have centered the attention of alert sales executives on the Southwest. In their search for increased volume, they are finding that the Southwest offers greater opportunities than any other major market. In their effort to reduce distribution costs, they are finding that regional branch plants or distributing branches, centrally located, are the only effective means of serving this market.

Situated at the geographical center, with population and buying power highly concentrated within a radius of 300 miles, is **Dallas**, now generally recognized as Southwestern headquarters for national concerns. Here approximately 2,250 concerns maintain their Southwestern facilities, many of them branch factories, and nearly all equipped with complete stocks for quick service to this market.

Distribution costs are thus reduced to a minimum. District managers, located at **Dallas**, maintain close personal contact with dealers at minimum costs for traveling expenses, telegraph and telephone communication. With but few exceptions, every important point may be reached by over-night travel, with no business time lost.

As evidence of the trend, 228 concerns of sectional or national importance established facilities in **Dallas** in 1930, the greatest number in the city's history.

A new 144-page book, **"The Southwest Market,"** gives facts needed by every executive interested in this market and the best means of serving it. It will be sent without obligation to any **executive** who has this problem before him.



Dallas

Southwestern Headquarters to American Business

EXECUTIVE COUPON

Industrial Dallas, Inc.,
523 Chamber of Commerce Bldg., Dallas.

Please send free copy of your new book, **"The Southwest Market,"** to:

Name_____
Company_____
Title_____
Address_____

Lower Selling Costs through Better Sales Control

(*Continued from page* 145)

he carried on the previous check-up. These cards provide not only a record for our own use, but each card also acts as an automatic check-up of the line by each salesman as he calls on each prospect. He can make up his mind as he goes in, whether he is going to try to get some new product on this particular dealer's shelves this trip, or whether he will sell him on pushing some one of our products that doesn't seem to be going as well as it should. If, for instance, the pancake season is coming and the prospect doesn't carry our pancake flour, the salesman can start selling him, long before the season actually arrives. If he carries the pancake flour but no buckwheat flour, he can sell him that. If the pancake season is drawing to a close, he can convince the dealer that he should get his stock out before his customers' eyes, so he won't be caught holding the bag on a lot of stock that might not move from his shelves for another year. Whether this is logically our responsibility or not, isn't, in our opinion, the point; we know that we suffer indirectly from the goods not being bright and fresh-looking on the shelves next year just as much as the dealer does, hence every time we help him, we help ourselves.

More Intelligent Selling

"There is, of course, nothing particularly new about any of these moves. But the advantage offered by this card in this connection is that the salesman has the necessary information before him while he is talking with the dealer and this makes a lot of difference in the intelligence of his approach, and consequently, we believe, in the size of his sale. Therefore, although these cards make some extra work for the salesman, we both realize that the added effort is well expended in the interest of increased sales.

"Whenever the salesman finds a new prospect, he merely fills out a new card of this same kind and turns it in with the rest. As soon as we have added the name to our master file, the clerk who keeps these cards in shape cuts off the right-hand corner of the card going into the salesman's set. Thus when a salesman turns in his cards following his next trip the new prospect cards stick out like lighthouses. We can tell in a minute how much of an effort he put into the checking for new prospects this trip. If he falls down on this part of his work consistently, we want to know why, for we know that new outlets are coming into his territory in just about the same proportion as they are into the other men's. The same principle applies to changes of address, changes of dealer in the same locations, etc. This one card reveals more, both to the salesman and to ourselves, than any one single part of our sales control method.

"When these cards come in at the end of a day's trip, they go to a clerk assigned to the job of checking them and transferring the new information to the master file in this office and to another permanent record that I will show you later.

Can Check on Each Item

"The first move in this transfer is to check off the different items sold, on a simple transfer sheet (see Exhibit B). From this sheet we can tell just how this salesman is pushing this or that product, and from the order blanks for the day we know just what success he is having on every product in our line. And when we compare this with the sales map, we can see whether he seems to be handling this part of his territory as he should, for any and all of our products. You will note that there are numbers at the left of the sheets. These have no special significance except that they show the clerk how many dealers have each kind of product in stock, without her counting each column of check marks —just a small clerical labor-saving device.

"Now when we have this information before us let us go back to the maps and see how they help us. Take, for instance, rye flour. There are some of the wealthier sections of the city in which a salesman couldn't sell rye flour if he tried all day. On the other hand in many sections we find that the sale of rye flour goes up in almost direct proportion to the percentage of foreign population. Since the maps in this volume clearly indicate which sections, in fact even which blocks, of the city are dominantly foreign in population, it is perfectly easy to trace by this map whether the salesman is falling down on rye flour in a dominantly foreign neighborhood, or whether we have no right to expect rye flour sales from him in that part of the city because of the character of the population. And the beauty of these maps is that a sales manager sitting behind a glass-topped desk in New York City could see these things from the records, just the same as we can right here on the job; if he has the right kind of cooperation from his field men.

"Anyone who knows what a fog most sales managers are in when it comes to really *knowing* a big cosmopolitan territory like the city of Chicago, will appreciate what a godsend such maps and the records to correspond, are to him. Even we who are right on the job find out important new things about our territory, things that we never knew before, under this new system every time we consult the records.

"After about a year of study and experiment with these sales cards, we drew up a third 'master sheet' for a more permanent record to be placed opposite each salesman's territorial maps in the book. And we were immediately rewarded with dozens of new ways in which we could use the information thus gathered.

Master Sheet of Route

"As you will see by this master sheet (Exhibit A) it is a general summary of the day by day calls of one senior and one junior salesman over one of the routes of their territory. At the left is the figure showing the total number of prospects called on that particular trip. In the senior salesman's case it will be seen that out of thirty-two dealers called on, all were carrying Pillsbury's Best Flour in some of the sizes; twenty-seven bought the large size (over ten pounds), while thirty-one bought the small size (ten pounds or less). Twenty-seven of the thirty-two bought pancake flour, twelve buckwheat, twenty-nine health bran, twenty-three cake flour, four Farina, but none the Farina in bulk. Two bought rye flour* while only four out of thirty-two bought corn goods.

"The junior salesman on the same day made thirty-six dealer calls, of whom twenty-two bought our Pillsbury's Best in one size or another. Twenty bought the larger sizes while all twenty-two bought the smaller. Fourteen bought pancake flour, six buckwheat, fifteen health bran, seven cake flour, one Farina, one rye flour and five corn goods.

"This record at first glance looks a little bad compared with that of the

*This route was in an upper-class neighborhood near Sheridan Road.

senior salesman; but it must be remembered that the junior salesman is not usually as skilled a campaigner as the senior salesman, and also that the stores are all Grade B outlets. This working with the Grade B outlets is a 'course of sprouts' that all junior salesmen have to go through in our sales plan. The advantage of having a senior and a junior salesman is, first, lower selling cost for accounts having a lower sales potential; second, younger, more sanguine salesmen working on hard-nut accounts; and, third, the fact that we always have a man who knows the territory, ready to work right into the senior salesman's place, if for any reason he is not able to cover his territory properly.

"These master sheets give us a lot of information that we couldn't get in any other way. They are made up quarterly from the daily cards, and they take but a small portion of two of our regular clerks' time once every three months. When these are added up route by route we have the picture of the salesman's territory put down in a permanent record book. It is constantly used for reference by the entire city sales force.†

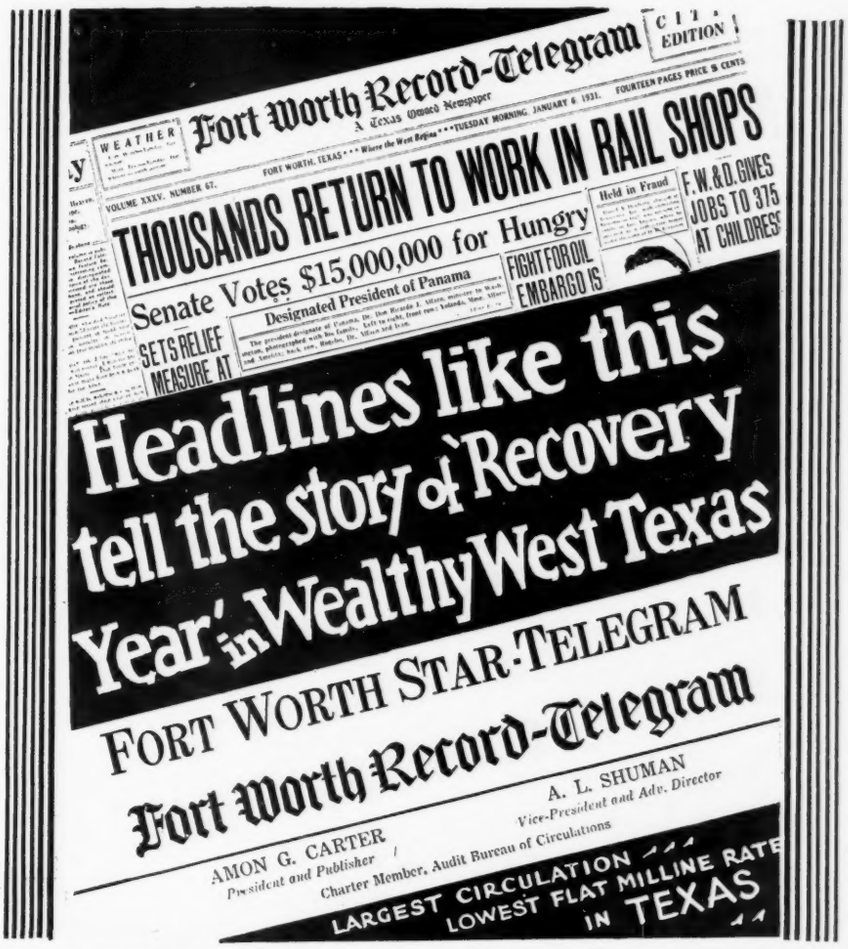
Reduces Turnover

"There are so many uses to which these figures and the maps can be put that it would be impossible to recount them all in one sitting. One of the greatest advantages, we feel, is the smaller turnover we have among our salesmen—first because they now know what they are doing and there is no excuse or reason for making mistakes through ignorance. Then, too, there is the other side; there is little or no chance of our hiring a man without definite reason when we have the reasons right before us.

"Another advantage of having such a map is that we know which man actually needs a car and which one only thinks he needs one. We can see plainly block by block how far apart the calls in his territory are—and by that we can judge whether a car would provide greater efficiency or would merely prove a hindrance. Of course they all *think* they need cars, and these maps help us immeasurably in our own decisions.

"We can use all this dealer data and the corresponding maps for planning any intensive drives either for sales on some product or for the allocation of window trims on a scientific basis. For the manufacturer who hires an outside window trimming service

†The way in which the book was worn gave eloquent testimony to the extent it was used.—W. M.



To Sales and Advertising Executives

who want accurate, down-to-the-minute information about

Daily Newspapers
General Magazines
Foreign Language and Religious Publications
Farm Papers
Business Papers
Radio Broadcast Advertising Rates

we recommend that you send for details of a plan which places this Service at your disposal for 30 days without obligation on your part.

STANDARD RATE & DATA SERVICE
The National Authority
536 LAKE SHORE DRIVE
CHICAGO

this data is invaluable. There is no chance of his having one part of the city overcrowded and leaving another part bare.

"There is much less chance with these maps before us of our merchandising crews wasting samples of new products in English-printed cartons in a section where the people rarely speak English or of trying to push, let us say, buckwheat flour in a neighborhood that is not in favor of it.

"The maps can be used for tying up an intensive sales effort to those parts of the city in which we have posters or car-cards. They can, moreover, be used to check with the delivery department on different deliveries.

"In short, we feel that the right kind of a sales control system is the backbone of modern distribution. We know where we are so much better than we ever did before. We can safely say we feel that it has at least doubled the efficiency of our sales efforts. The added work is so slight that it can ordinarily be done in the spare time of the regular clerical help. And that's why we feel that farseeing sales forces as well as forward-looking sales executives should join in boosting for a more intelligent sales control system."

The Retailer – King-pin in Our Distribution Plan

(*Continued from page* 139)

ences what brands of goods they are sampling; but we do tell them the prices paid, and show them that they are frequently led to sell their customers a product of low quality at a price that should have bought the highest quality.

In our talks, which are always given by officials, we cover the essentials of sound and profitable retail merchandising, as we have learned them during forty years of manufacturing and distributing spices, teas, condiments and other grocery specialties. We explain that our purpose is solely to aid retailers in becoming better merchants, and we emphasize the fact that good retail merchandising requires that every sale be made in a way that will attract business to their stores.

When we talk to independent grocers—most of our audiences are independents—we try to convince them that their survival and success depend on how well they distribute their merchandise, and that their stores are really selling and merchandising organizations, rather than buying agencies. With facts from experience, we attempt to convince them that it is to their advantage to confine their purchases to two or three good wholesale houses in order that their purchases may be handled economically, and we point out the necessity, in economical buying, of relying on the reputation for fairness and integrity of the wholesaler and manufacturer.

We urge the retailer to improve his service and the appearance of his store and stock arrangement, and to feature quality merchandise. We also stress the necessity of studying the wants of his trade and finding effective ways of supplying them, rather than wasting time with salesmen of free deals that, if he buys them, absorb more than their saving in slow turnover.

Another point emphasized in all of our talks is that, regardless of independent action, success today follows collective thinking. In elaborating this fact, we show that retailers are a necessary part of the country's distributive machinery, that the whole machine cannot function properly unless they conform to certain economic principles, and that their interests are similar to or identical with those of the wholesaler and manufacturer. Hence it logically follows that all three factors must consider each others' interests, and that the manufacturer or wholesaler who attempts to sell the retailer anything he cannot resell at a profit is working against the retailer's interests and eventually against his own interests.

Of course, we discuss the subject of private labels, and we furnish proof to convince our audiences that it is not to their interest to handle private brands, especially in tea, spice and extract lines. Having had an extensive experience in the manufacture of both private and advertised brands, we are in a position to explain why the private brands cost more, quality for quality, are more difficult and costly to sell, and are worth about one-fifth as much when the immediate liquidation of a stock is necessary for any reason.

In all of this work we never mention our own nor the brands of our competitors. Programs are solely for educational purposes, and we lean over backward to prevent any impression that might indicate an attempt to sell our lines. We emphasize and explain the necessity of distributing quality merchandise according to the soundest merchandising principles, and we know that if we can induce an appreciable number of retailers to adopt the principles recommended we will get our share of the business.

To date, the cost of the excursions to the factory has been about five dollars a retailer. In the future, we think this cost will tend to decrease, for the reason that the groups are growing larger. A few weeks ago we had 250 retail grocers from Philadelphia for a day, and we are now planning to bring several larger groups down from New York. The interest is increasing and we are receiving many inquiries from retail grocers' associations as well as from individuals.

To ascertain and encourage favorable results, within about thirty days after every meeting, we send a representative to call on the retailers who attended. In every instance, so far, we have found the dealer to be well satisfied with his investment of a day's time, and a great many are enthusiastic over what they have learned. Hundreds have not waited for the personal call to express their appreciation, and have written us letters of thanks.

Movies Shown Groups

Our further educational work consists of a program of moving pictures for associations or other organizations of retailers, or groups arranged by our salesmen. Audiences vary from thirty to five hundred. In the independent field we try to include all of the dealers who have taken the trip to the factory with as many others as possible. In the chain field our audiences are frequently members of a chain organization. In Akron, not long ago, about 250 chain store people saw our program, and in Norfolk we had more than 300 employes of a southern chain. And our pictures have been shown to both independent and chain grocers in practically all of the cities in the country.

The movie programs consist of the showing of pictures of the cultivation, harvesting and handling of teas and spices in various parts of the world. They are interesting as well as instructive, and relief is furnished by showing a comic reel on insecticides. Very little talk is given during the showings of the pictures; but after each program packages of spices and flavorings are opened to make comparisons on quality, and questions are answered.

We consider this educational work about the most important effort we are making for the future success and

stability of our business. For this reason we have placed it under the direct charge of our vice-president, C. P. McCormick.

Frequently, we are asked if our educational work among retail grocers has created enough business to return our investment with a profit. Frankly, I do not know and, at this time, I do not care. I am convinced that it is necessary for the security and future prosperity of American manufacturing to strengthen the position of the retailer and aid him in the adoption of the means for sound merchandising. A few other manufacturers are realizing this necessity and are doing what they can to aid the deserving retailer, and I believe that many others will join in the work as rapidly as its importance is further realized. In the meantime, we believe that our investment in dealer education is well worth while, and we consider it as our contribution to the movement for sounder and fairer merchandising.

Sales Management Weekly Index to Motor Activity

(Average of years 1924-28, inclusive, equals 100)

Year 1930-31		*Year* 1929-30	
Nov. 1	82	Nov. 2	108
Nov. 8	83	Nov. 9	103
Nov. 15 ...	83	Nov. 16 ...	103
Nov. 22 ...	83	Nov. 23 ...	100
Nov. 29 ...	82	Nov. 30 ...	98
Dec. 6	85	Dec. 7	104
Dec. 15 ...	84	Dec. 16 ...	110
Dec. 20 ...	83	Dec. 21 ...	111
Dec. 27 ...	80	Dec. 28 ...	114
Jan. 3	83	Jan. 4	112
Jan. 10 ...	85	Jan. 11 ...	118
Jan. 17 ...	89	Jan. 18 ...	123

The exact sources of data on which the SALES MANAGEMENT Weekly Index of Motor Activity is based cannot be completely explained or disclosed for the reason that much of the information used is obtained in confidence. The computation itself is entrusted to one of the leading economists and statisticians of the automotive industry.

The principal factor involved is that of factory consumption, the data being used along this line involving approximately 25 per cent of the total production of the motor car industry. Inasmuch as production of automobiles is adjusted to retail sales at relatively short intervals of time, this index really portrays to some extent the trend of motor car retail sales as well as of motor car production. The volume of business transacted by the automotive industry, including its tremendous consumption of many and varied types of products as glass, steel, paint, cotton, copper, etc., gives this index of motor activity much significance from the standpoint of the business of the country at large. The fact that it can be obtained weekly also contributes to making it one of the most valuable indices to general business conditions that have been thus far developed.

WMAL

On the Air 16 Hours Daily

WASHINGTON'S
Individual per capita wealth is ahead of the National average.

WASHINGTON'S
Spendable income is the second highest in America—$1,428 per capita.

WASHINGTON'S
Buying public is the most intelligent in America. Washington has less than ½ of 1% of illiterate population.

Frequency 630 Kilocycles

CAPITALIZE YOUR ADVERTISING

Located in the capital of the Nation, Station WMAL is the Washington station of the Columbia Broadcasting system. Equipped with Western Electric double turntables for spot broadcasting of transcription programs.

"Broadcasting the better things in and for Washington"

1-3 of One Per Cent Makes 19 Per Cent!

One single concern—the Einson-Freeman Co., Inc.—out of the 309 lithographic establishments in the United States listed by the last census—

Or about 1/3 of one per cent—was responsible for 10 out of 52—

Or over NINETEEN PER CENT of all the Window Displays that achieved a dominant rating in the tabulation of November Window Displays in Forty-four Cities, which appeared on page 126 of SALES MANAGEMENT for January 17th.

These 10 displays had dominance in 111 city-showings out of a grand total of 471.

There IS a reason.

An Einson-Freeman representative will be pleased to discuss it, and your window and store advertising problems, if you write, or call them at Starr & Borden Avenues, Long Island City.

Reprints and Lists Available to Readers

The following lists and reprints are available without charge until present supplies are exhausted:

1. 100 Principal Markets and Their Spendable Money Income.
2. List of Recommended Window Display Installation Services in 255 Cities.
3. Tracing Your Wholesale Trade (a reprint of the five articles by Walter Mann).

Address
Reader Service Department
SALES MANAGEMENT
420 Lexington Avenue
New York

How Detecto Increased Sales 800 Per Cent

(*Continued from page* 161)

the Charm Box as a gift to every purchaser of a Detecto scale. Our first order was for 10,000 boxes; but they did not last as long as we thought they would. After the first advertisement women who owned our scales began to write us asking how they could procure the Charm Boxes. We had not anticipated this demand; but we priced the boxes at approximate cost, $1.75 each, and have sold several thousand. It is one of the most effective merchandising items we have introduced, and, like all of the others, it is a result of our desire to give our dealers something to assist them in making more sales.

"They say the fad for slenderness is now declining; but we have not noticed any decrease in the demand for our bathroom scales. 'Keep Fit by Watching Your Weight' has been our slogan. We are confident that, by taking full advantage of the fad in our merchandising, we have created a permanent business. In fact, having developed a very small enterprise into a satisfactory and profitable business, we are convinced that we are now ready to build a large business by entering a new and undoubtedly our largest field.

"Regardless of the fad, a person's weight is always more or less interesting to the person. Also, the weight is frequently a health symptom, and because of the variation of the weight of clothing, reliable comparative weights can be procured only without clothing. Hence weighing can be accomplished most conveniently in the bathroom or boudoir.

"Therefore, although the fashion of the female figure may change, we believe that because of the general interest and the relation of weight to health, it will be possible to convince almost every intelligent woman that a good scale is a necessary part of the bathroom equipment. This is the end to which we are working, and we shall continue on the policy of production, dealer relations and merchandising that I have outlined."

Six Join A. N. A.

General Candy Corporation, Chicago, (O Henry and Amos 'n' Andy candy bars); Hotels Management and Securities Corporation, Washington, D. C.; Green Brothers Company, Springfield, Massachusetts, (Tastyeast); Fremont Canning Company, Fremont, Michigan, (Gerber's strained vegetables); Ethyl Gasoline Corporation, New York, and the Towle Manufacturing Company, Newburyport, Massachusetts (silver), have joined the Association of National Advertisers.

Personal Service and Supplies

Classified Rates: 50c a line of seven words; minimum $3.00. No display
Cash Basis Only. Remittance Must Accompany Order

EXECUTIVES WANTED

EXPERIENCED SALES AND MERCHANDISING executive with trained analytical mind, capable of creative thought and constructive ideas and with abundant initiative, energy, vision and sales instinct. Must be thoroughly familiar with all sales and advertising functions from manufacturer through all channels to consumer. Moderate salary at start with exceptional opportunity for future with large technical organization. Reply by letter only, giving full and complete details, in first letter, with salary desired, to Mr. N. E. Horton, Sherman Corporation, 292 Madison Avenue, New York, N. Y.

IF YOU ARE OPEN TO OVERTURES FOR new connection and qualified for a salary between $2,500 and $25,000, your response to this announcement is invited. The undersigned provides a thoroughly organized service of recognized standing and reputation through which preliminaries are negotiated confidentially for positions of the calibre indicated. The procedure is individualized to each client's personal requirements, your identity covered and present position protected. Established twenty one years. Send only name and address for details R. W. Bixby, Inc., 118 Downtown Building, Buffalo, N. Y.

SALES PROMOTION

$50 to $50,000 DAILY SALES SECURED FROM our clients. This distributor took on a new specialty, retailing at $60. His first purchase $12. We submitted a sales program capable of national expansion. Within four years his sales were nation wide, running to $100,000 monthly. 35 years salesmanship-in-print experience back of our campaigns. Submit sales problems for free diagnosis. 10 years Sales Promotion Manager, Larkin Co. James C. Johnson, 119 Woodbridge Ave., Buffalo, N. Y.

POSITIONS WANTED

SALES EXECUTIVE—YOUNG, unusually successful record in direct sales field, would like to connect with reliable manufacturer who desires to enter this very profitable field of distribution. No straight commission offer desired. Address Box 270, SALES MANAGEMENT, 420 Lexington Avenue, New York, N. Y.

YOUNG MAN, AGE 25, NOW AVAILABLE. Four years' credit jewelry management experience, including outside selling. Capable of analyzing and reorganizing small business. Wishes to make contact with small growing concern, preferably affiliated with jewelry industry. Initial income not important. Address Box 278, SALES MANAGEMENT, 420 Lexington Avenue, New York, N. Y.

DIRECT MAIL

A LIVE HOUSE ORGAN TELLING THE right merchandising story to your distributors is the cheapest form of advertising insurance. Our 100 correspondents are trained to get information your trade requires. Let house organ experts solve the problem. Complete details furnished on request. J. J. Berliner & Staff, 1123 Broadway, New York, N. Y.

Index to Advertisers

	PAGE
American Warehousemen's Assn.	133
Associated Business Papers, Inc.	148-149
Autopoint Co.	159
Boone Organization, Rodney E.	147
Bush Terminal Co.	135
Chicago Evening American	131
Crosley Radio Corp.	155
Einson-Freeman Co., Inc.	167
Fort Worth Star-Telegram	165
Gibbons, Ltd., J. J.	168
Indianapolis News	151
Industrial Dallas, Inc.	163
Liberty	Cover
Listo Pencil Corp.	168
Los Angeles Times	129
New York News	Cover
New York Sun	136
Molloy Co., David J.	153
Saturday Evening Post	132
Soda Fountain	157
Standard Rate & Data Service	165
Sterling Engraving Co.	Cover
WLW	155
WMAL	167
White, Inc., Percival	130

WRITE *more* EASILY
WITH **LISTO**
PENCILS *and* LEADS
A Million Users Know Their Superiority
Listo Pencil Corp., Dept. B, Alameda, Cal.

Extra Copies

If you want extra copies of this issue please order promptly, as our supply is frequently exhausted a week after date of issue.

TORONTO HAMILTON HALIFAX MONTREAL LONDON, Eng.
"GIBBONS KNOWS CANADA"
J. J. GIBBONS Limited, Canadian Advertising Agents
WINNIPEG REGINA CALGARY EDMONTON VICTORIA VANCOUVER